Country Reports on Terrorism 2016

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Chapter 1
Strategic Assessment

Although terrorist attacks and fatalities from terrorism declined globally for the second year in a row in 2016, terrorist groups continued to exploit ungoverned territory and ongoing conflict to expand their reach, and to direct and inspire attacks around the world. The Islamic State of Iraq and Syria (ISIS) remained the most potent terrorist threat to global security, with eight recognized branches and numerous undeclared networks operating beyond the group's core concentration in Iraq and Syria. Al-Qa'ida (AQ) and its regional affiliates remained a threat to the U.S. homeland and our interests abroad despite counterterrorism pressure by U.S. partners and increased international efforts to counter violent Islamist ideology and messaging. Terrorist groups supported by Iran – most prominently Hizballah – continued to threaten U.S. allies and interests even in the face of U.S.-led intensification of financial sanctions and law enforcement.

ISIS was driven out of roughly a quarter of the territory it held in Syria and Iraq at the beginning of the year through the combined efforts of Iraqi Security Forces and Syrian armed groups, enabled and supported by the 73 members of the Global Coalition to Defeat ISIS. At the same time, diplomatic efforts contributed to strengthening a broad range of travel controls that helped choke off the flow of foreign terrorist fighters to ISIS-held territory in Iraq and Syria. Along with battlefield deaths, the reduction in the flow of recruits left ISIS at its lowest battlefield strength since at least 2014. In Libya, government forces and aligned armed groups, supported by U.S. air strikes, drove ISIS out of its main Libyan stronghold in Sirte. Many ISIS fighters in Darnah and Benghazi also were driven out by the end of 2016.

ISIS attacks outside its territorial strongholds in Iraq, Syria, and Libya were an increasingly important part of its terrorism campaign in 2016. Most of these attacks took place in countries where ISIS has a declared branch, such as Afghanistan, Egypt, Saudi Arabia, and Yemen. Elsewhere around the globe, returning foreign terrorist fighters and homegrown violent extremists carried out attacks directed, assisted, or inspired by ISIS. The attacks in Brussels on March 22, carried out by the same operational cell that conducted the November 2015 Paris attacks, and attacks in Istanbul, are examples of this. Other operations outside of Iraq and Syria were conducted by individuals who were unable to travel to that region and instead conducted attacks in their home countries or regions. ISIS sought to exploit refugee and migrant flows to disguise the travel of its operatives, causing alarm but resulting in increased vigilance in many of the destination countries.

ISIS continued to commit atrocities against groups in areas under its control, including Yezidis, Christians, Shia Muslims, Sunni Muslims, Kurds, and other groups.

In 2015 and 2016, ISIS abducted, systematically raped, and abused thousands of women and children, some as young as eight years of age. Women and children were sold and enslaved, distributed to ISIS fighters as spoils of war, forced into marriage and domestic servitude, or subjected to physical and sexual abuse. ISIS established "markets" where women and children were sold with price tags attached and has published a list of rules on how to treat female slaves once captured. (For further information, refer to *the Trafficking in Persons Report 2016,* https://www.state.gov/j/tip/rls/tiprpt/index.htm.)

The recruitment of violent extremists through social media remained central to ISIS's terrorist campaign in 2016. The United States and its partners worked closely with social media companies and others to lawfully counter and curtail use of the internet for terrorist purposes. Due in part to these efforts, ISIS content on the internet declined 75 percent from August 2015 to August 2016, while ISIS-related traffic on Twitter declined 45 percent from mid-2014 to mid-2016. This coincided with a steep reduction in the monthly rate of official visual media releases by ISIS, from 761 in August 2015 to 194 in August 2016, according to a study published by the Combating Terrorism Center at West Point.[1] Moreover, ISIS had 19 active media outlets at the beginning of 2017, down from at least 40 in 2015, according to another study published by the Council on Foreign Relations.[2]

Even as ISIS attacks increased in 2016, the world experienced fewer terrorist attacks and fewer fatalities from terrorism for the second year in a row, due largely to declines in South and Central Asia and the Lake Chad Basin region of Africa. In the Lake Chad Basin, military gains by the Multinational Joint Task Force (MNJTF) and its member states against both Boko Haram and ISIS-West Africa, a Boko Haram off-shoot that emerged in 2016, helped drive down terrorist attacks and fatalities in Nigeria and elsewhere in the Lake Chad Basin region over much of the year.

Al-Qa'ida and its regional affiliates exploited the absence of credible and effective state institutions in some states and regions to remain a significant worldwide threat despite sustained pressure by the United States and its partners. Despite leadership losses, al-Qa'ida in the Arabian Peninsula (AQAP) remained a significant threat to Yemen, the region, and the United States, as ongoing conflict in Yemen hindered U.S. efforts to counter the group. Al-Qa'ida's affiliate in Syria, al-Nusrah Front, continued to exploit ongoing armed conflict to maintain a territorial safe haven in select parts of northwestern Syria. Al-Shabaab, which pledged allegiance to al-Qa'ida in 2012, continued to conduct asymmetric attacks throughout Somalia and parts of Kenya despite weakened leadership and increasing defections. In February, al-Shabaab claimed responsibility for a suicide bomb attack aboard a Daallo Airlines flight from Mogadishu that resulted in the death of the attacker, but failed to destroy the aircraft as intended. The attack demonstrated that civilian aviation targets remain a high priority for international terrorist groups despite the broad improvements in aviation security. Al-Qa'ida in the Islamic Maghreb (AQIM) and its affiliates in Mali shifted their operational emphasis from holding territory to perpetrating asymmetric attacks against government and civilian targets, including hotels in Burkina Faso and Cote d'Ivoire, as well as UN peacekeeping forces in northern Mali. Al-Qa'ida in the Indian Subcontinent (AQIS) continued to operate in South Asia, which the AQ-core has historically exploited for safe haven, and it claimed several attacks targeting religious minorities, police, secular bloggers, and publishers in Bangladesh. In Afghanistan,

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[1] Daniel Milton, "Communication Breakdown: Unraveling the Islamic State's Media Efforts," Combating Terrorism Center at West Point, October 2016, https://www.ctc.usma.edu/posts/communication-breakdown-unraveling-the-islamic-states-media-efforts.

[2] Charlie Winter and Colin P. Clarke, "Is ISIS Breaking Apart? What Its Media Operations Suggest," Foreign Affairs (website), January 31, 2017, https://www.foreignaffairs.com/articles/2017-01-31/isis-breaking-apart?cid=int-lea&pgtype=hpg.

al-Qa'ida suffered significant losses, including its regional leader, Faruq al-Qahtani, who was killed in a U.S. operation in October 2016.

Regional and international military coalitions supported to varying degrees by the United States and its allies continued to make progress against terrorist groups in fragile states, particularly in Africa. The African Union Mission in Somalia (AMISOM), in concert with the Somali National Army (SNA), was able to hold key sections of rural areas in south-central Somalia, although al-Shabaab's leveraging of clan politics and exploitation of poor economic conditions to recruit fighters undermined AMISOM and SNA territorial gains. In the Lake Chad Basin, the MNJTF contributed to an overall reduction in terrorist attacks and fatalities, although national forces within the group had difficulty holding cleared areas and rebuilding civilian institutions, especially in Nigeria. In the Sahel region, the UN Multidimensional Integrated Stabilization Mission in Mali and French forces provided a measure of stability and security in Mali's north.

The use of Chemical, Biological, Radiological, or Nuclear (CBRN) materials and expertise remained a terrorist threat, as demonstrated by terrorists' stated intent to acquire, develop, and use these materials; the nature of injury and damage these weapons can inflict; the ease with which information on these topics now flows; and the dual-use nature of many relevant technologies and material. As evidence of this challenge, the third report of the Organisation for the Prohibition of Chemical Weapons-UN Joint Investigative Mechanism found that ISIS was responsible for a sulfur mustard attack in Marea, Syria, on August 21, 2015. Given the well-understood ISIS interest and intent in CBRN capabilities, the United States has been working proactively to disrupt and deny ISIS's (and other non-state actors') chemical weapons capability, as well as to deny ISIS and other non-state actors access to CBRN-useable materials and expertise through interdictions and strengthening the ability of regional governments to detect, disrupt, and respond effectively to suspected CBRN activity.

Terrorist attacks on public spaces and other soft targets – sometimes using unsophisticated means and methods – resulted in mass casualties. The terrorist attack in Nice on July 14, claimed by ISIS, epitomized this phenomenon. The attacker, a Tunisian national residing permanently in France, drove a 19-ton cargo truck through crowds gathered on a seaside promenade to celebrate Bastille Day, France's national holiday, killing 86 and injuring hundreds before police shot and killed him. In Germany, an ISIS-claimed truck attack killed 12 in a crowded Christmas market in Berlin on December 19, 2016. Other notable terrorist attacks on soft targets during the year included AQIM attacks on a restaurant and hotel in Ouagadougou on January 15; a June 28 attack on the main airport in Istanbul, attributed to ISIS; and a July 23 attack on a peaceful protest in Kabul, carried out by the ISIS affiliate in Afghanistan. The same ISIS affiliate also claimed responsibility for multiple attacks in Pakistan, including a November 12 bomb blast at the Shah Noorani Shrine in Baluchistan province, Pakistan, which killed more than 50 and wounded more than 100 people. Finally, attacks using bladed weapons such as knives and machetes, which ISIS propaganda has promoted, remained a feature of the terrorism threat in 2016. Knife attacks in Israel and the West Bank by Palestinian lone offenders continued a trend begun there in 2015.

Attacks on soft targets led to increased focus on the need for greater coordination and interoperability between intelligence agencies and law enforcement at the national level,

increased information sharing, and expanded public-private partnerships. In response, the Global Counterterrorism Forum (GCTF), with support from the United States, launched an ongoing soft-targets initiative to build political will and increase capacity to prevent soft-target attacks and mitigate their effects. At the same time, attacks on airports and airliners in 2015 and 2016 highlighted the persistent need to protect air travelers and prevent terrorists from targeting aircraft or using them as weapons. To address this threat, on September 22, 2016, the UN Security Council adopted the first UN Security Council resolution (UNSCR) focused exclusively on the terrorist threat to civil aviation – UNSCR 2309 (2016).

Although the drivers of radicalization to violence varied from country to country – and even within countries – a common thread through much of the terrorism observed in 2016 was adherence to violent extremist ideology put forth by a fundamentalist strain of Sunni Islam that perceives itself to be under attack by the West and in conflict with other branches of Islam. ISIS volunteers from predominantly Sunni states in the Middle East continued to cite defense of the Syrian people against supposed "apostates" – referring to the Assad regime and its Shia backers in Iran – as a motivation for joining the group. Central Asian labor migrants working in Russia, Turkey, and other countries, often facing poor working conditions and social isolation were more susceptible to recruitment by groups espousing ISIS's violent extremist ideology. In parts of Africa, ISIS's ideology resonated among those with direct experience of official corruption and abusive security-service tactics. In the West, ISIS's narrative of a fight for the restoration of a premodern, sectarian caliphate from West Africa to Southeast Asia continued to resonate with members of predominantly Muslim immigrant communities, converts to Islam, and others searching for identity and purpose, although only a small fraction of these have become terrorists, and their radicalization to violence has been influenced as much by uniquely personal circumstances as by ideology. Finally, the online messages of the late al-Qa'ida figure Anwar al-Aulaqi continued to influence Western violent extremists years after his 2011 death in a U.S. counterterrorism operation in Yemen. Omar Mateen, who killed 49 in an attack on a nightclub in Orlando, Florida, in July 2016, told an acquaintance in 2014 that he had watched videos of al-Aulaqi's sermons and found them powerful. (Mateen, who was killed by police, pledged allegiance to ISIS during the course of the standoff, but the U.S. government has not found evidence of formal ties between Mateen and the group.)

International support for addressing the ideological, political, social, and economic drivers of violent extremism grew in 2016. Institutions shaped and supported by the United States and its allies continued to provide platforms for action. In July, the UN General Assembly endorsed recommendations of the Secretary-General's Plan of Action for Preventing Violent Extremism, a significant step because it put the weight of the UN's largest political organ, representing all 193 members, behind an approach to terrorism prevention shaped and influenced by the United States and its closest allies. The 30-member GCTF, which the United States founded and co-chaired from 2011 to 2015, endorsed good practices in a number of areas relevant to terrorism prevention under its Initiative to Address the Life Cycle of Radicalization to Violence. GCTF members began supporting training and other programs to help countries on the frontlines of terrorism implement best practices, often through international platforms for information sharing and cooperation among counter-radicalization experts, such as the Strong Cities Network and the *Hedayah* International Center of Excellence for Countering Violent Extremism in Abu Dhabi.

Iran remained the foremost state sponsor of terrorism in 2016 as groups supported by Iran maintained their capability to threaten U.S. interests and allies. The Iranian Islamic Revolutionary Guard Corps – Qods Force, along with Iranian partners, allies, and proxies, continued to play a destabilizing role in military conflicts in Iraq, Syria, and Yemen. Iran continued to recruit fighters from across the region to join Iranian affiliated Shia militia forces engaged in conflicts in Syria and Iraq, and has even offered a path to citizenship for those who heed this call. Hizballah continued to work closely with Iran in these conflict zones, playing a major role in supporting the Syria government's efforts to maintain control and territory, and providing training and a range of other support for Iranian aligned groups in Iraq, Syria, and Yemen. Additionally, Hizballah continued to develop its long-term attack capabilities and infrastructure around the world.

The United States continued to use a range of tools to counter Iran-sponsored terrorist groups. For instance, on October 20, 2016, the Department of State designated Hizballah commander Haytham 'Ali Tabataba'i as a Specially Designated Global Terrorist under Executive Order 13224, blocking his property subject to U.S. jurisdiction and prohibiting U.S. persons from engaging in transactions with him. Tabataba'i commanded Hizballah's special forces, has operated in Syria, and has been reported to be in Yemen.

AFRICA

Overview: Africa experienced significant levels of terrorist activity in 2016. In East Africa, the Somalia-based terrorist group al-Shabaab remained the most potent threat to regional stability, having regained territory in parts of southern and central Somalia. As the African Union Mission in Somalia (AMISOM) limited offensive operation to proactively counter al-Shabaab in southern Somalia, the terrorist group gained the time and space needed to regroup and recruit new fighters. Similar to 2015, however, there were no successful attacks attributed to al-Shabaab outside of Somalia and northeastern Kenya. The organization maintained its allegiance to al-Qa'ida and continued its campaign to isolate and defeat the growing faction of ISIS supporters in Somalia. Although ISIS claimed responsibility for small-scale attacks in Somalia and Kenya, the group failed to launch a major attack in East Africa.

Al-Shabaab used safe havens and towns it reclaimed in 2016 to refine its asymmetric tactics. The group continued to focus on targeting AMISOM forces by launching large-scale raids against its forward operating bases. In January, al-Shabaab claimed responsibility for a raid against Kenyan forces in El Adde, Somalia that was reported to have killed more than 140 soldiers. In its attempt to disrupt the Federal Government of Somalia's national electoral process, al-Shabaab increased the use of suicide bombings and ambush attacks against Somali government facilities and select hotels popular with government officials and business people. Al-Shabaab also launched vehicle-borne improvised explosive devices (VBIEDs) against the Mogadishu International Airport that killed UN, AMISOM, and Somali officials. Al-Shabaab claimed responsibility for the targeted assassination of several Somali parliamentarians, security officials, and other government personnel in Mogadishu and elsewhere in Somalia, including Puntland.

The United States continued to support counterterrorism capacity building for its East African partners, including advisory assistance for AMISOM, training and mentoring the staff of Somalia's security sector, and improving regional law enforcement agencies' crisis response capabilities. In response to al-Shabaab's mass-casualty attacks in Kenya's Northeast that claimed hundreds of lives over the last few years, Kenya increased its law enforcement and military presence along the border to detect, deter, and disrupt terrorist travel and cross-border activity. East African governments leveraged U.S. assistance to improve counterterrorism-focused investigations and prosecutions, particularly in Djibouti, Kenya, Somalia, and Uganda.

In the Lake Chad Basin, the Multi-National Joint Task Force (MNJTF), comprising Benin, Cameroon, Chad, Niger, and Nigeria, successfully coordinated defeat-ISIS-West Africa and counter-Boko Haram efforts that increased pressure on the groups. Although degraded, Boko Haram continued an asymmetric campaign of kidnappings, killings, bombings, suicide bombers, and attacks on civilian and military targets throughout northeast Nigeria, resulting in a significant number of deaths, injuries, and destruction of property. ISIS-West Africa

consolidated its presence in the Lake Chad area following its August split from Boko Haram and targeted primarily vulnerable regional military and government targets.

France's Operation Barkhane, a counterterrorism operation focused on countering terrorists operating in the Sahel, continued and was supported by the important contributions of the UN Multinational Integrated Stabilization Mission in Mali.

TRANS-SAHARA COUNTERTERRORISM PARTNERSHIP

Established in 2005, the Trans-Sahara Counterterrorism Partnership (TSCTP) is a U.S.-funded and -implemented, multi-faceted, multi-year effort designed to build the capacity and cooperation of military, law enforcement, and civilian actors across North and West Africa to counter terrorism. Areas of support include:

1. Enabling and enhancing the capacity of North and West African militaries and law enforcement to conduct counterterrorism operations;
2. Integrating the ability of North and West African militaries and law enforcement, and other supporting partners, to operate regionally and collaboratively on counterterrorism efforts;
3. Enhancing border security capacity to monitor, restrain, and interdict terrorist movements;
4. Strengthening the rule of law, including access to justice, and law enforcement's ability to detect, disrupt, respond to, investigate, and prosecute terrorist activity;
5. Monitoring and countering the financing of terrorism (such as that related to kidnapping for ransom); and
6. Countering local support for violent extremism.

TSCTP partners include Algeria, Burkina Faso, Cameroon, Chad, Mali, Mauritania, Morocco, Niger, Nigeria, Senegal, and Tunisia.

TSCTP has built capacity and cooperation despite setbacks caused by a restive political climate, violent extremism, ethnic rebellions, and extra-constitutional actions that interrupted work and progress with select partner countries.

Regional cooperation, a strategic objective of U.S. assistance programming globally, has increased substantially in West and Central Africa among most of the partners of the TSCTP. Nigeria and its neighbors agreed to form a Multinational Joint Task Force to combat Boko Haram, and remained actively engaged in countering the group throughout the region. The TSCTP partners were joined in this effort by the African Union and by the country of Benin, which is not a member of the TSCTP. In North Africa, U.S. and Moroccan training for Senegalese law enforcement has improved crisis response management, while Algeria has offered counter-improvised explosive device (IED) training to neighboring states.

PARTNERSHIP FOR REGIONAL EAST AFRICA COUNTERTERRORISM

First established in 2009, the Partnership for Regional East Africa Counterterrorism (PREACT) is a U.S.-funded and -implemented multi-year, multi-faceted program designed to build counterterrorism capacity and cooperation of military, law enforcement, and civilian actors across East Africa to counter terrorism. Areas of support include:

1. Reducing the operational capacity of terrorist networks;
2. Developing a rule of law framework for countering terrorism in partner nations;
3. Enhancing border security;
4. Countering the financing of terrorism; and
5. Reducing the appeal of radicalization and recruitment to violent extremism.

Active PREACT partners include Djibouti, Ethiopia, Kenya, Somalia, Tanzania, and Uganda. Burundi, Comoros, Rwanda, Seychelles, South Sudan, and Sudan are inactive members of PREACT and did not receive PREACT assistance in 2016.

In 2016, the U.S. government, through PREACT, continued to build the capacity and resilience of East African governments to contain the spread of and ultimately counter the threat posed by al-Qa'ida, al-Shabaab, and other terrorist organizations. PREACT complements the U.S. government's dedicated efforts, including support for AMISOM and promoting stability and governance in Somalia and the greater East Africa region with an emphasis on respect for human rights and the rule of law. PREACT additionally serves as a broader U.S. government interagency mechanism to coordinate counterterrorism and countering violent extremism programming to address gaps in criminal justice, defense, and financial sector reform. Joint training exercises for Kenyan, Tanzanian, and Ugandan first responders and law enforcement professionals support efforts to enhance regional coordination and cooperation, protect shared borders, and respond to terrorist incidents responsibly and effectively.

BURKINA FASO

Overview: Following historic national elections that brought President Roch Marc Christian Kabore to power in late 2015, Burkina Faso's new government took office January 13, 2016. Just days later, a soft target terrorist attack on a café and hotel occurred in Ouagadougou, revealing shortcomings in the government's crisis response plans. The past year has seen a significant uptick in terrorist activity, including numerous cross-border attacks, although it was not always clear which terrorist organization was responsible. Many of these incidents remained under investigation, with no prosecutions before the end of 2016.

Events of the past two years, including the extra-constitutional step taken by the former Presidential Security Regiment to hold the then-transitional government hostage, in addition to the increase in violent attacks, have continued to demonstrate the need for broad security sector reform. Recommendations from a security sector reform commission established in December 2015 were never made public, and, in the past year, the country has not seen significant changes either in the structure or leadership of any of its security services.

Further, the Burkinabe government appears to have largely rejected recommendations made in a UN evaluation of security sector reform priorities.

Burkina Faso's overall willingness to engage in regional counterterrorism and stability operations was made possible primarily as a result of approximately US $30 million over the past four years that was provided to its security forces through the Department of State's Africa Peacekeeping Program (AFRICAP) II, Africa Contingency Operations Training and Assistance contracts, the Trans-Sahara Counterterrorism Partnership (TSCTP), and National Defense Authorization Act Section 2282 funding initiatives.

Attacks on security forces and a kidnapping in 2016, combined with attacks in neighboring countries, have bred a sense of insecurity and fear amongst the population. In response to this insecurity, the Burkinabe military has taken steps to address the need for increased coordination and communication between members of the Burkinabe armed forces and its citizens. In the summer of 2016, for example, the armed forces partnered with the United States to host a security symposium with community members and civil society from the affected regions.

2016 Terrorist Incidents: Burkina Faso suffered its most deadly year related to terrorist incidents in 2016. Incidents included:

- On January 15, there was an attack on Café Cappuccino and Hotel Splendid in Ouagadougou; 30 were killed and 70 wounded.
- On January 16, a Western couple was kidnapped in Djibo.
- There were also several cross-border attacks on security forces. These included Tin Akoff (January 15, two deaths), Koutougou (May 18, two wounded), Intangom (May 31, three deaths), Markoye (September 1, two deaths, three wounded), Intangom (October 12, four deaths, two wounded), and Nassoumba (December 16, 12 deaths, four wounded).

Legislation, Law Enforcement, and Border Security: Burkina Faso's Counterterrorism Strategy, *Mission de Securitization du Nord*, strives to address terrorist activities along its northern border. To accomplish this, in January 2013, Burkina Faso operationalized and deployed a joint Army-Gendarmerie counterterrorism task force known as the Groupement des Forces Anti-Terroristes (GFAT). Attributable to multiple peacekeeping operation deployments, this force, which originally had projected end strength of 1,000, has consistently been at a level of approximately 500 troops. Burkina Faso augmented the GFAT with additional troops after the October 12 attack in Intangom.

In addition to the ongoing *Mission de Securitization du Nord*, the Burkinabe military plans to counter terrorist activity more effectively by building a more capable Army unit in its northern 1st Military Region. Consistent with the country's low national Gross Domestic Product, however, the military lacks funding. Building a capable force will require international assistance.

Burkina Faso's legal system struggles with a lack of resources and coordination to detect, deter, and respond to terrorist incidents. In November, the Burkina Faso Council of Ministers passed a draft law on the establishment, organization, and functioning of a judicial process specializing in

counterterrorism. Burkinabe security and law enforcement officials continued to cite border security as a major area of concern. Burkina Faso continued to screen travelers using the U.S.-provided Personal Identification Secure Comparison and Evaluation System (PISCES).

Host government security forces actively sought training from the United States and other countries, occasionally receiving refresher training from multiple sources on the same topic. U.S. assistance included workshops on cross-border security, crisis management, criminal justice procedures, and training on the prosecution of terrorists through the Global Counterterrorism Forum (GCTF) and the International Institute for Justice and the Rule of Law.

Countering the Financing of Terrorism: Burkina Faso is a member of the Inter-Governmental Action Group Against Money Laundering in West Africa, a Financial Action Task Force-style body that is part of the Economic Community of West African States (ECOWAS). In 2016, Burkina Faso enacted the uniform West African Economic and Monetary Union (WAEMU) anti-money laundering/countering the financing of terrorism law, and also passed 11 other laws to improve its framework. As of 2016, however, Burkina Faso continued to experience challenges operationalizing the mechanisms of its National Committee on Administrative Freezing, which has not yet achieved functionality; implementing UN Security Council resolution 1373. Its financial intelligence unit (FIU), Cellule Nationale de Traitement des Informations Financières (CENTIF), comprises magistrates, police, gendarmerie, and financial experts under the Ministry of Economy and Finance, and is a member of the Egmont Group of Financial Intelligence Units.

The Government of Burkina Faso has a three-year (2014-2016) strategy for fighting financial crime, but due to recent political uncertainty, much of this strategy has not been implemented. Furthermore, although Burkinabe law enforcement has the will to improve its ability to counter terrorist financing, it lacked the necessary resources and experience. Burkina Faso worked on developing a special court for terrorist financing, and in recent years it has placed CENTIF under the Ministry of Economy and Finance. There are some laws in place that help the work of CENTIF, such as a requirement for local banks to report large deposits. Other laws and customs make their task difficult. Burkina Faso is a cash society, making money difficult to track. Also, an agreement between West African countries for the free movement of people and goods allows individuals uninhibited entry to and exit from Burkina Faso with any amount of money.

Burkina Faso therefore remains at risk of money laundering and terrorist financing and faces threats emanating from criminal activities and insecurity in the Sahel region. Its capacity to respond to these threats remained insufficient, although the Government of Burkina Faso continued to cooperate with regional and global counterterrorism efforts. Records exchange with countries outside of WAEMU is possible via bilateral agreement, and CENTIF was open to exchanging information with counterpart FIUs on a reciprocal basis, which it has done in several cases. Burkina Faso has not incorporated the WAEMU directives on money laundering and terrorist financing into its national law, however. Additionally, it has yet to fully demonstrate the effectiveness of its terrorist assets freezing regime, has not adopted procedures for the declaration of cross border currency movement, and is slow to move prosecutions of financial crimes through its court system.

For further information on money laundering and financial crimes, see the *2017 International Narcotics Control Strategy Report (INCSR), Volume II, Money Laundering and Financial Crimes*: http://www.state.gov/j/inl/rls/nrcrpt/index.htm.

Countering Violent Extremism: Burkina Faso did not have programs to rehabilitate or reintegrate terrorists into mainstream society in 2016. Three TSCTP grants were provided to build community resilience. One grant fielded seven volunteers in the Sahel region to work with community members to raise awareness about violent extremism and engage youth in activities to strengthen a community identity. The second was to build awareness and create a "see something say something" network. The third funded regional filmmakers with short productions that will be viewed in rural communities as part of a film caravan.

Regional and International Cooperation: Burkina Faso increased its collaboration with the United Nations on counterterrorism matters and participated in international fora, such as the GCTF's Sahel Working Group. Burkina Faso was a member of the TSCTP, was active in ECOWAS, and is a member of the G-5 Sahel group (Burkina Faso, Chad, Mali, Mauritania, and Niger) that was created in February 2014.

BURUNDI

Overview: Burundi continued its commitment to addressing terrorism through maintaining a six battalion contribution to the African Union Mission in Somalia (AMISOM). Burundi's land and water borders are porous and, therefore, pose significant border security challenges.

Legislation, Law Enforcement, and Border Security: Burundi has provisions in its penal code defining forms of terrorism. Sentences for acts of terrorism range from 10 years to life imprisonment if the act results in the death of a person. The Judicial Police are responsible for terrorism investigations. A small counterterrorism unit, formed in 2010, consists of elements of the Burundi National Police, the Burundian National Defense Force, and the Burundi National Intelligence Service. The unit lacks significant capacity to prevent and respond to terrorist acts. Burundi's judicial system was characterized by a dearth of professional personnel and resources, incompetence, corruption, and a significant backlog of cases.

Burundi screens travel documents at official border crossings; however, it does not use biometric screening capabilities, such as fingerprint or retinal scans.

Deterrents to more effective law enforcement and border security included corruption, resource constraints, limited judicial capacity, lack of training, and heavily trafficked, difficult to control borders.

Countering the Financing of Terrorism: Burundi is not a member of a Financial Action Task Force-style regional body; however, it is an observer of the Eastern and Southern Africa Anti-Money Laundering Group. While the government has created counterterrorist financing laws, it has yet to commit funding or provide training on the new laws. Therefore, implementation was inconsistent. There were no terrorist finance cases in 2016.

Burundi's anti-money laundering/counterterrorist finance regime is incomplete. It does not include regulatory requirements or supervision of money/value transfer services, precious metal and jewelry dealers, real estate agents, exchange houses, non-profit organizations, the informal financial sector, and money service businesses. Know Your Customer practices are implemented regularly in the formal financial sector, but very few people in the country have access to the formal banking sector. Each local commercial bank operation is recorded within the bank's system and the banks exchange information with their foreign correspondent banks through their compliance officers. Banks are not asked to share this information with the Government of Burundi's financial intelligence unit.

For further information on money laundering and financial crimes, see the *2014 International Narcotics Control Strategy Report (INCSR), Volume II, Money Laundering and Financial Crimes*: http://www.state.gov/j/inl/rls/nrcrpt/index.htm. (Burundi has not been included in the INCSR since the 2014 edition.)

International and Regional Cooperation: Burundi is an inactive member of the Partnership for Regional East Africa Counterterrorism. Burundi contributed six battalions to AMISOM.

CAMEROON

Overview: Countering terrorist threats, particularly Boko Haram (BH), remained a top security priority for the Government of Cameroon, and the government continued to work with the United States to improve the capacity of its security forces. Cameroon has contributed significantly to the growth and evolution of the Multi-National Joint Task Force (MNJTF).

2016 Terrorist Incidents: Boko Haram continued to take advantage of weaknesses in Cameroon's border security to conduct a number of terrorist attacks in the country's Far North Region, including targeted killings and kidnappings of Cameroonians, and raids on villages, fields, and livestock. A representative sampling of incidents over a two-month period follows:

- On March 16, a villager was killed in Nigue, Fotokol, during a BH incursion.
- On March 24, BH entered the village of Zourou and killed the village chief.
- On March 25, a security force vehicle rolled over an improvised explosive device (IED) on the Amchide Ganse road. One soldier was wounded and one died.
- On April 1, 12 BH members armed with assault rifles took over the village of Tolkomari at 11:00 p.m. and began searching houses for Vigilance Committee (VC) members. They found and killed one VC member.
- On April 3, five villagers were beheaded in Sandawadjiri during a BH attack.
- On April 8, BH assailants attacked a security force outpost in Tolkomari, but were repelled.

Legislation, Law Enforcement, and Border Security: The December 2014 law on terrorism and certain provisions of the penal code, the Criminal Procedure Code, and the Military Justice Code were used to prosecute acts of terrorism. These include sanctions for efforts to undermine state authority, threats to public and individual safety, destruction of property, threats to the

safety of civil aviation and maritime navigation, hostage taking, and the use of firearms and explosive substances.

The Law for the Fight Against Terrorism, adopted in 2014, confers the death penalty for those found guilty of carrying out, abetting, or sponsoring acts of terrorism, including any activity likely to incite revolt in the population or disturb the normal functioning of state institutions. The bill was controversial, and members of the political opposition claimed that the definition of terrorism was too broad and could be used as a tool for political repression. Such criticisms have continued, but have become more muted in the face of increased terrorist attacks in the Far North of the country.

Faced with BH's shift towards suicide bombings and security challenges at its borders with Nigeria and the Central African Republic, the Cameroonian government increased coordination and information sharing among law enforcement, military, and intelligence entities, including the General Delegation for External Research, the National Army, the Rapid Intervention Unit, and the National Gendarmerie.

In 2016, Cameroon continued to receive U.S. capacity-building training to improve its counterterrorism and law enforcement efforts, including programs on the civil–military response to terrorism and the legal aspects of defense. The United States sent military personnel to conduct airborne intelligence, surveillance, and reconnaissance operations as part of the fight against BH. These measures supported improvements in Cameroon's ability to detect and respond to BH in general and terrorist attacks specifically.

Cameroonian forces have become decisively more effective at combatting BH and have seen significant battlefield successes. Combined security forces, including civilian vigilance committees, blunted the sustained suicide bombing campaign that BH began in 2015, although occasional bombing incidents occurred. Security forces have secured some areas of the Far North Region to the extent that a limited number of internally displaced persons are returning to their places of origin. Despite progress, BH still conducts sometimes weekly attacks on villages, primarily in search of supplies.

In 2016, Cameroon installed a U.S.-provided Personal Identification Secure Comparison and Evaluation System (PISCES) biometric screening system to cover all entering and departing travels at the international airports in Yaounde and Douala. Cameroon continued to issue regional biometric passports aimed at providing enhanced security for residents of the Economic and Monetary Community of Central African States zone. In response to terrorist incidents, Cameroon reinforced its border security by establishing more control posts and deploying additional military units, including the Rapid Intervention Battalion, to the Far North Region of the country. Out of concern for instability and the security vacuum along its eastern border created by the redeployment of troops to the northern front, Cameroon recruited new border security personnel and deployed them along the border with the Central African Republic. The government significantly improved screening procedures at maritime ports and saw a corresponding increase in arrests of criminals and seizure of illicit goods. The capacity of security forces to patrol and control all land and maritime borders remained limited, however, due to inadequate staffing and resources, leading to some uncontrolled border crossings.

Cameroonian security forces continued to receive training via the Department of State's Antiterrorism Assistance and Counterterrorism Partnership Fund programs. Trainings included courses on community policing, intelligence-led policing, countering IEDs, and crime scene investigation.

Countering the Financing of Terrorism: Cameroon is a member of the Central African Action Group Against Money Laundering (GABAC), a Financial Action Task Force-style regional body. Through its membership in GABAC, Cameroon has adopted a legislative architecture to implement anti-money laundering and financial supervision actions. Although the government has no existing legislation or procedures to domestically designate terrorists, Cameroonian law allows for the automatic adoption of relevant UN Security Council (UNSC) resolutions, including the UNSC ISIL (Da'esh) and al-Qa'ida sanctions regime. Cameroon's financial intelligence unit, the National Financial Investigation Agency, processes suspicious transaction reports, initiates investigations, and is a member of the Egmont Group of Financial Intelligence Units. There were no reports, however, of prosecutions or convictions for money laundering in 2016. Under existing legislation, any person convicted of financing or using financial proceeds from terrorist activities would be sentenced to death.

For further information on money laundering and financial crimes, we refer you to the *2017 International Narcotics Control Strategy Report (INCSR), Volume 2, Money Laundering and Financial Crimes*: http://www.state.gov/j/inl/rls/nrcrpt/index.htm.

Countering Violent Extremism: The Government of Cameroon does not have a Countering Violent Extremism (CVE) National Action Plan, as recommended by the UN Secretary-General's Preventing Violent Extremism Plan of Action, but officials at all levels acknowledge radicalization to violence as a significant concern and potential threat and say they integrate CVE concepts into their work and planning. Officials from a variety of agencies and ministries have attended U.S.-funded CVE training, and the government has requested additional training. Cameroonian authorities have taken a series of measures to counter violent extremism, including forming partnerships with local, traditional, and religious leaders to monitor preaching in mosques. The Government of Cameroon partnered with faith-based organizations, such as the Council of Imams and Religious Dignitaries of Cameroon (CIDIMUC) to educate citizens on the dangers of radicalization to violence and violent extremism and to promote religious tolerance and present religion as a factor for peace. This objective was furthered through targeted messaging in mosques, special prayer sessions, and press releases, as well as through roundtable discussions and conferences bringing together people from various religious backgrounds. One of CIDIMUC's strategies has been to work to improve the living conditions of imams.

Government officials and other interlocutors point to historically poor or limited governance in the Far North region, deteriorating infrastructure, and perceptions of limited or decreasing opportunity as key drivers of violent extremism. Cameroon has a tradition of coexistence, although there are some sectarian tensions. Resource pressures in the Far North arising from large numbers of internally displaced peoples moving into areas with already limited resources, closure of cattle markets as a result of fighting, and restriction of traditional trade routes is

placing increasing pressure on communities, leading to some fracturing of traditional bonds of tolerance and coexistence.

International and Regional Cooperation: Cameroon is a contributing and active member of the Lake Chad Basin's MNJTF, and it contributes forces to this effort. A Cameroonian general commands the MNJTF's sector one, and Cameroonian security forces are active participants in unilateral internal and regional joint combat operations against BH and ISIS. Cameroon is active in the Trans-Sahara Counterterrorism Partnership.

Cameroon actively participates in African Union and United Nations counterterrorism-related activities, and its military schools train soldiers and gendarmes from neighboring countries.

CHAD

Overview: The Government of Chad continued to prioritize counterterrorism efforts at the highest level; however, the worsening financial crisis affected its ability to meet even basic financial commitments, such as paying police and military salaries. Although financial hardships have limited the country's ability to provide external counterterrorism assistance in Cameroon, Niger, and Nigeria, Chad engaged in major external military operations in 2016 in neighboring countries. Chad continued to provide combat forces to the Lake Chad Basin Multinational Joint Task Force (MNJTF), which also includes Benin, Cameroon, Niger, and Nigeria. This follows Chad's contribution in 2013 to Operation Sabre, French intervention in northern Mali, and its ongoing contribution to the UN Multidimensional Integrated Stabilization Mission in Mali.

2016 Terrorist Incidents: Attacks in Chad by Boko Haram (BH) fell in 2016 from 2015, likely due to an increased and proactive security force presence by the Government of Chad and the MNJTF, community support for Chadian forces, and a split within BH.

In 2016, there were four reports of terrorist attacks resulting in casualties, all within Chad's Lake Region. These attacks consisted of two personnel-borne improvised explosive devices (IEDs) targeting civilian populations in January that resulted in three people killed and 56 injured in the towns of Guite and Miterine; one road-based IED (target unknown); and minor conflicts between military and BH elements in August and September.

Legislation, Law Enforcement, and Border Security: The Government of Chad passed counterterrorism legislation on August 5, 2015, although it was unclear if anyone had been prosecuted under this law. Law 034/PR/2015 explicitly criminalizes terrorism and provides penalties for those convicted of terrorist acts. It imposes the death penalty on any person who commits, finances, recruits, or trains people for participation in acts of terrorism, regardless of where the act was intended to be carried out. The law extended the pre-trial detention period to 30 days, renewable twice on authorization from the public prosecutor. Penalties for lesser terrorist offenses were increased to life imprisonment. Some civil society organizations expressed concern that the law was overly restrictive, required little evidence to prosecute individuals, and could be used to curtail freedoms of expression and association. The Government of Chad faced a significant backlog of terrorism cases pending in the judicial process, which has led to more-than-usual overcrowding of prisons.

While Chadian law enforcement units displayed basic command and control capacity, the Director General of the Chadian National Police requested more training in investigations, crisis response, and border security capacity. All 22 police brigades perform counterterrorism functions. Law enforcement leadership professed publicly the requirement for all law enforcement officers to respect human rights. In practice, however, there were reports the government or its agents committed arbitrary and unlawful killings, including by torture, and impunity was an issue. The Director General of the police has worked to improve the Chadian National Police, including through information sharing across other governmental security agencies.

The Government of Chad continued to operate at a heightened level of security and has instituted screenings at border-crossings to prevent infiltration by members of BH and Central African militias, as well as transit of illegal arms, drugs, and other contraband. Border patrol continued to be provided by a combination of border security officials, gendarmes, police, and military. Chad continued to screen travelers using the U.S.-provided Personal Identification Secure Comparison and Evaluation System (PISCES) at major ports of entry.

Chad continued its participation in the Department of State's Antiterrorism Assistance (ATA) program. In 2016, several hundred additional police officers attended ATA training in both Chad and the United States, and received additional equipment specifically designated for counterterrorism units within the Chadian National Police.

Countering the Financing of Terrorism: Chad is a member of the Task Force on Money Laundering in Central Africa, a Financial Action Task Force-style regional body. Chad's financial intelligence unit, the National Agency for Financial Investigation (ANIF), is a member of the Egmont Group of Financial Intelligence Units.

Chad criminalized terrorist financing through the 2003 adoption of an anti-money laundering/counterterrorist financing (AML/CFT) law drafted by the Economic and Monetary Community of Central Africa. The law allows immediate freezing and confiscation of terrorist assets and requires a variety of organizations involved in financial transactions to monitor money/value transfers and report any anomalies (the law does not appear to list non-profit organizations specifically within the list of organizations required to comply). It provides for compilation, updating, and distribution of United Nations sanctions lists, but does not stipulate a timeframe for their designation. The government also requires Know Your Customer rules for both foreign and domestic transactions.

ANIF, which falls under the authority of the Ministry of Finance and Budget, is tasked with ensuring public and private financial institutions in Chad implement the AML/CFT law. It investigates suspicious transactions brought to its attention by financial institutions and refers cases to the Attorney General's office in the Ministry of Justice and Guardian of the Seal and Human Rights for further action and prosecution. ANIF works closely with the Ministry of Public Security and Immigration, the Antiterrorist Unit of the National Police, the National Police, the Directorate of Customs and Excise, and the Central Bank.

For further information on money laundering and financial crimes, see the *2017 International Narcotics Control Strategy Report (INCSR), Volume II, Money Laundering and Financial Crimes*: http://www.state.gov/j/inl/rls/nrcrpt/index.htm.

Countering Violent Extremism: Although the Government of Chad does not have a Countering Violent Extremism (CVE) National Action Plan, it remained concerned about the threat of violent extremism within its borders. The government consistently identified the primary driver of violent extremism as lack of economic opportunity, which is exploited by violent extremists who target vulnerable populations. The Chadian government also remained particularly concerned about the influence of Salafist imams and theologies, as well as funding from Qatar, Saudi Arabia, and other Middle Eastern charities and states. In the past, the government has revoked the legal charters of what it identified as Salafist-leaning associations and religious organizations.

The number of Chadians joining terrorist organizations was low in 2016. Chadians who joined BH or ISIS-West Africa appeared to come mostly from the Boudouma ethnic group in the North of Lake Chad. Therefore, it seems familial or economic ties to current members of the groups provided the strongest incentive to join the group. Separately, there was evidence of a few individuals self-radicalizing through social media and propaganda, most recently with an individual apprehended in December.

The Chadian government created an Office of Religious and Traditional Leaders, within the Ministry of Territorial Administration and Local Governance, to spearhead its CVE efforts, but this office remained new and skeletal and has not demonstrated strong leadership on any matters. The Government of Chad continued to use its five-year development strategy as its primary tool to prevent and counter violent extremism. Of particular relevance for the Government of Chad is a focus on education, vocational training, and job placement, which it believes are key tools to address violent extremism. Alongside its five-year development strategy, it also has a National Strategy for Social Protection, which is a pillar of its non-military efforts to counter violent extremism.

Auspiciously, this year, more than 1,000 individuals previously associated with BH returned to Chad. Disillusionment with BH and unmet expectations of how their lives would change were suspected reasons.

Efforts to encourage defections and returnees among the Bouduma people around the lake were mostly informal. At year's end, no known national strategic messaging or alternative narrative strategy was in place. Moderate messaging was broadcast over 16 community radio stations and one state-operated radio station under a U.S. Agency for International Development project to counter violent extremism. The project also funded the creation of a moderate, Arabic-language newspaper to provide an outlet for expression among Muslim youth.

International and Regional Cooperation: Chad chaired the African Union and held the G-5 Sahel presidency in 2016. Chad remained active in the Trans-Sahara Counterterrorism Partnership and was a member of the Lake Chad Basin Commission; it participated in the Commission's effort to develop the MNJTF and deployed a contingent of 700 troops along the

Lake Chad border to prevent infiltration by BH. Chad has also cooperated actively with Cameroon and Nigeria in operations to counter the threat of BH in its border regions, and continued to work with Sudan on the joint border commission the two countries established in 2012 to better control the Chad-Sudan eastern border.

Chad continued to host the French government's Operation Barkhane, a successor to Operations Serval and Epervier, formerly based in Mali and Chad, respectively. In November, Chad and Algeria signed a memorandum to strengthen cooperation in security areas.

DJIBOUTI

Overview: Djibouti offered an important platform for regional counterterrorism and countering violent extremism (CVE) efforts in 2016. Djibouti continued to contribute troops to the African Union Mission in Somalia (AMISOM), and its military (Forces Armees Djiboutiennes, or the FAD) and received U.S. assistance to train and prepare for this mission from the Global Peace Operations Initiative through the Africa Contingency Operations Training and Assistance program. Djiboutian Brigadier General Osman Noor Soubagleh assumed command of AMISOM in July. Djibouti is home to the Intergovernmental Authority on Development (IGAD), an eight-country trade bloc in Africa that includes governments from the Horn of Africa, Nile Valley, and the African Great Lakes.

Camp Lemonnier served as headquarters to the U.S. Africa Command's Combined Joint Task Force-Horn of Africa (CJTF-HOA) and is the only enduring U.S. military installation in Africa. Djibouti's relations with Eritrea, its neighbor to the north, remained hostile after a 2008 border conflict in which dozens of Djiboutian soldiers lost their lives. To the south, Somalia's struggle with al-Shabaab continued to pose a threat Djibouti's security. The Somalia-based al-Shabaab claimed responsibility for the May 2014 suicide attack against a popular restaurant in Djibouti City. As a result, enhanced security measures in Djibouti City remained in place throughout 2016.

Djibouti's proximity to important waterways, such as the Bab al-Mandeb and the Gulf of Aden, make the country a prime destination and transit point for migrants, refugees, and asylum seekers fleeing ongoing conflicts in Ethiopia, Somalia, and Yemen. This influx of people taxed the government's resources and revealed vulnerabilities in port and immigration security procedures. The United States supported Djibouti's efforts to build counterterrorism capacities in the areas of border security, investigations, justice sector reform, and countering violent extremism.

Djibouti has publicly condemned violent ISIS acts, such as beheadings, as well as the group's focus on recruiting vulnerable youth and its use of Islam to advance its goals. Djibouti works closely with regional neighbors in IGAD to build sustainable institutions to counter radicalization to violence and violent extremism. Recognized by IGAD as being a low threat for home-grown violent extremism, Djibouti is eager to play a leadership role for activities in this field.

Legislation, Law Enforcement, and Border Security: Counterterrorism remained a high priority for all Djiboutian law enforcement entities due to Djibouti's geographic location, porous

borders, and the 2014 al-Shabaab attack in Djibouti City. Djibouti maintained a system of checkpoints and cordon-and-search operations within the capital city. Djibouti remained focused at border-control points to screen for potential security threats. The government maintained enhanced protection of soft targets, including hotels and grocery stores, which it first implemented after the 2014 attack. Djibouti law enforcement extended vehicle searches throughout the city in an effort coordinated through the Ministry of Foreign Affairs.

Djiboutian law enforcement personnel acknowledged the difficulty of securing their land borders, as well as the sea coast. The Djiboutian National Police (DNP) controls border checkpoints and the FAD has responsibility for patrolling land borders in remote locations, with support from the Gendarme patrolling between border posts. Djibouti continued to process travelers on entry and departure with the U.S.-provided Personal Identification Secure Comparison and Evaluation System (PISCES). While the airport and seaport in the capital remain important entry points, the vast majority of travelers cross into Djibouti by land at one of three land border points, one of which is the Loyada border crossing at the Somali border, which was refurbished with U.S. funding and receives technical assistance through the Department of State's Antiterrorism Assistance (ATA) program.

Djibouti has a legal framework for investigating and prosecuting terrorism-related crimes and bringing terrorism cases to its criminal courts using its penal code. Djibouti's law enforcement organizations routinely interacted with U.S. government counterparts and frequently sought U.S. input to identify potential terrorist suspects. Djibouti's law enforcement organizations include the DNP, the Djiboutian National Gendarmerie, the National Security Judiciary Police (NSJP), and the Djiboutian Coast Guard. Through the Departments of State, Justice, and Defense, the United States provided Djibouti with substantial security assistance and counterterrorism-related training to build critical capacities within its security and law enforcement sectors. In 2016, the DNP, the National Gendarmerie, and the NSJP received training through the ATA program, as well as the International Law Enforcement Academy in Gaborone. ATA assistance focused primarily on building technical capacity for improved crisis response, counterterrorism investigations, and border security capabilities. The DNP, the National Gendarmerie, and the NSJP also received training through the U.S. Federal Bureau of Investigation's Legal Attaché office in Addis Ababa, Ethiopia. The United States funds a Resident Legal Advisor based in Addis Ababa who also assists Djiboutian justice sector officials in counterterrorism rule of law issues. Separately, CJTF-HOA provided the FAD with two counter-improvised explosive devices (IED) pre-deployment training programs on how to recognize, find, counter, or avoid an IED for Djiboutian military personnel deploying to Somalia under AMISOM.

Countering the Financing of Terrorism: Djibouti is not a member or an observer of a Financial Action Task Force-style regional body. The Central Bank of Djibouti houses a financial intelligence unit known as the Fraud Investigation Unit (FIU). Given its limited financial and human resources, the FIU has been unable to perform its core functions and instead focused on banking supervision. The FIU made no referrals of cases to law enforcement involving suspected terrorist financing in 2016.

The Central Bank of Djibouti places the responsibility for staying updated on sanctions lists with the financial institutions themselves. Many of the financial institutions operating in Djibouti have software packages that include links to the UN sanctions lists and the lists of designated terrorists or terrorist entities from the European Union and the U.S. Department of the Treasury's Office of Foreign Assets Control. The Central Bank of Djibouti monitors compliance with these lists through routine supervision and audits of the financial institutions.

For further information on money laundering and financial crimes, see the *2017 International Narcotics Control Strategy Report (INCSR), Volume II, Money Laundering and Financial Crimes*: http://www.state.gov/j/inl/rls/nrcrpt/index.htm.

Countering Violent Extremism: Djibouti is recognized by IGAD as being a low threat for home-grown violent extremism; IGAD assessed Djibouti's internal terrorism threat as "symptomatic," requiring preventative countering violent extremism interventions. Djibouti is eager to become a regional hub for activities in this field and is host to the new IGAD Center of Excellence for Preventing and Countering Violent Extremism, which held its inaugural meeting in October. Djibouti assigned an advisor from the Office of the President in November to IGAD to serve as the Center's Deputy Director.

Separately, the Government of Djibouti, via the Ministry of Islamic Affairs, continued to implement a law on state control of mosques to address political activity from mosques and counter the potential for violent radicalization. The law required the conversion of imams into civil service employees and transferred mosque property and assets to the government. International partners, such as Egypt, have offered to train Djiboutian imams at the al-Azhar Institute.

International and Regional Cooperation: Djibouti is a member of the African Union, has maintained military forces deployed in Somalia, and has provided the commander of AMISOM since July 2016. Djibouti is also a member of the Partnership for Regional East Africa Counterterrorism. In April, Djibouti hosted the fifth plenary meeting of the Global Counterterrorism Forum Horn of Africa (HOA) Working Group and the Symposium on Youth and CVE. Co-chaired by the European Union and Turkey, these meetings focused on efforts to strengthen the resilience of youth in the greater HOA region and on the 2016-2017 work plan of the HOA Working Group. In September, the Djiboutian government hosted the IGAD Stakeholders Consultative Meeting on the development of the East Africa Region's Preventing and Countering Violent Extremism Strategy at the MFA's Institute of Diplomatic Studies.

ERITREA

Overview: The Government of Eritrea continued to make regular public statements about its commitment to fighting terrorism. Eritrea also continued and broadened its support for the Saudi-led coalition in Yemen; it allowed military elements of the coalition to base in Eritrea.

In May 2016, the United States re-certified Eritrea as "not cooperating fully" with U.S. counterterrorism efforts under Section 40A of the Arms Export and Control Act, as amended. In considering this annual determination, the Department of State reviewed Eritrea's

overall level of cooperation with U.S. efforts to counter terrorism, taking into account U.S. counterterrorism objectives and a realistic assessment of Eritrean capabilities.

The Government of Eritrea has been under UNSC sanctions since December 2009 as a result of past evidence of support for al-Shabaab and regional destabilization. UN Security Council (UNSC) resolution 1907 (2009) and 2013 (2011) continued an arms embargo on Eritrea and a travel ban and asset freeze on some military and political leaders, calling on the nation to "cease arming, training, and equipping armed groups and their members, including al-Shabaab, that aim to destabilize the region." While the Somalia-Eritrea Monitoring Group's (SEMG's) 2016 report found no evidence that Eritrea is supporting al-Shabaab, the SEMG found that it could not make a determination that Eritrea is in compliance with the requirements of the UNSC resolutions because the Government of Eritrea continued to refuse to allow SEMG inspectors to enter Eritrea.

The Government of Eritrea's lack of transparency means there was no clear picture of the methods it used to track terrorists or maintain safeguards for its citizens. For a number of years, members of the police have refused to meet with security officials from western nations to discuss policy matters, although the United States had informal contact with some law enforcement counterparts in 2016.

Legislation, Law Enforcement, and Border Security: Eritrea's penal code, grandfathered into its present-day law from Ethiopia's 1957 code, contains a number of statutes that can be used to prosecute various types of terrorist activity, including conspiracies carried out by organized armed groups and the use of bombs, dynamite, explosives, or other methods constituting a public danger. Other sections of Eritrean law are sufficiently broad to apply to terrorism cases, including acts related to offenses against public safety, property, and the state and its national interests.

The Government of Eritrea does not share information about its ports of entry, law enforcement actions, and arrests or disruptions of terrorist's activities or prosecutions. Entities including the Eritrean Defense Forces, the National Security Agency (NSA), the police, and Immigration and Customs authorities all potentially have counterterrorism responsibilities. There are special units of the NSA that monitor fundamentalism or violent extremism. Chain of command may work effectively within some security and law enforcement elements, but there are rivalries and responsibilities that overlap between and among the various forces. Whether information sharing occurs depends on personal relationships between and among particular unit commanders. Many soldiers, police officers, and immigration and customs agents, are young national service recruits or assignees, performing their jobs without adequate training.

The Eritrean government closely monitors passenger manifests for any flights coming into Asmara and scrutinizes travel documents of visitors, but does not collect biometric data. Government officials lacked the training and technology to recognize fraudulent documents.

Countering the Financing of Terrorism: Eritrea is not a member or observer of a Financial Action Task Force-style regional body. Assessing terrorist financing risks in the country is challenging due to Eritrea's general lack of transparency on banking, financial, and economic

matters. The lack of basic banking infrastructure, such as credit cards and online banking technology, and the fact that the Eritrean currency is nonconvertible, limit Eritrea's ability to engage in international financial markets. There is no available information to indicate that Eritrea has identified any terrorist assets or prosecuted any terrorist financing cases.

For further information on money laundering and financial crimes, see the *2017 International Narcotics Control Strategy Report (INCSR), Volume II, Money Laundering and Financial Crimes*: http://www.state.gov/j/inl/rls/nrcrpt/index.htm.

Countering Violent Extremism: In official meetings and in its public statements, Eritrean officials cited their record in opposing violent extremism and stated their commitment to fighting it in the future. It is unknown whether the Government of Eritrea has established a Countering Violent Extremism National Action Plan. While Eritrea's laws and the public statements of Eritrean officials stressed the importance of preventing violent extremism in Eritrea, the lack of transparency from the government made it impossible to assess whether they have implemented initiatives aimed at prevention, counter-messaging, or rehabilitation and reintegration.

International and Regional Cooperation: Eritrea is a member of the African Union and an inactive member of the Partnership for Regional East Africa Counterterrorism. In 2016, Eritrea continued to increase its military cooperation with the Gulf States and increased its political support for the Saudi Arabia-led military campaign in Yemen. Eritrea would like to reactivate its membership in the Intergovernmental Authority on Development (IGAD); however, Eritrea's return to IGAD is opposed by Ethiopia and Djibouti, both of which had military conflicts and have ongoing border disputes with Eritrea.

ETHIOPIA

Overview: The Government of Ethiopia's 2016 counterterrorism efforts focused on fighting al-Shabaab in Somalia and pursuing potential threats in Ethiopia. Ethiopia collaborated with the United States on regional security issues and participated in capacity-building trainings. The Ethiopian Federal Police (EFP) partnered in the investigation of an al-Shabaab 2014 suicide attack in Djibouti, agreed to join a Joint Task Force on a terrorism case, and continued law enforcement cooperation with the United States. The EFP also requested an expansion of an FBI-EFP Memorandum of Understanding on information sharing on transnational crime and ISIS. In May, the Ethiopian government denounced ISIS' branch in Libya in response to a video which showed the beheading of 16 Ethiopian migrants; it was the second time in two years Ethiopian migrants in Libya were killed by the group.

Legislation, Law Enforcement, and Border Security: The Government of Ethiopia uses the Anti-Terrorism Proclamation (ATP), implemented in 2009, to prosecute activities it considers terrorism. It also continued to use the ATP to suppress criticism by detaining and prosecuting journalists, opposition figures (including members of religious groups protesting government interference in religious affairs), and other activists, releasing some, but also making new arrests during the year. For example, the Federal High Court sentenced a blogger in May to more than five years in prison using the ATP. In addition, journalists feared reporting on five groups designated by parliament as terrorist organizations in 2011 (Patriotic Ginbot-7, the Ogaden

National Liberation Front (ONLF), the Oromo Liberation Front (OLF), al-Qa'ida, and al-Shabaab), citing ambiguity on whether that might be punishable under the law.

The National Intelligence and Security Service (NISS), which has broad authority for intelligence, border security, and criminal investigation, was responsible for overall counterterrorism management in coordination with the Ethiopian National Defense Forces (ENDF) and the EFP. The ENDF, EFP, and Ethiopian intelligence comprise the Ethiopian Task Force for Counterterrorism, a federal-level committee to coordinate counterterrorism efforts. The ENDF, EFP, Ethiopian intelligence, and regional special police worked together to block al-Shabaab attacks in Ethiopia. The NISS facilitated some coordination with the United States on counterterrorism cases in Ethiopia.

Border security was a persistent concern for the Government of Ethiopia, and the government worked to tighten border controls with Eritrea, Kenya, Somalia, and South Sudan. Ethiopia conducts traveler screening with the U.S.-provided Personal Identification Secure Comparison and Evaluation System (PISCES) at major ports of entry. The EFP sent officers to several sessions of the Department of State-funded Regional Rural Border Patrol Unit training by U.S. Customs and Border Protection in Manyani, Kenya.

Ethiopia was the only last point of departure airport from East Africa to the United States in 2016. Given the increased terrorism threat to the international aviation security sector, Ethiopian aviation security officials demonstrated a highly cooperative attitude and keen interest in keeping Ethiopia's aviation sector secure from terrorist threats. Ethiopian aviation security continued to improve with the installation of two Department of State-funded, state-of-the-art passenger screening devices at Addis Ababa Bole International Airport in February. Ethiopian security officials also expressed interest in additional training, which would be conducted in coordination with the U.S. government, to bolster counterterrorism security measures at Bole International Airport.

Countering the Financing of Terrorism: Ethiopia is a member of the Eastern and Southern Africa Anti-Money Laundering Group (ESAAMLG), a Financial Action Task Force-style regional body. In August 2015, ESAAMLG adopted Ethiopia's mutual evaluation report, outlining the anti-money laundering and countering the financing of terrorism (AML/CFT) regime and deficiencies. Ethiopia's Financial Intelligence Center (FIC) issued a directive that guides the reporting requirements and compliance of designated non-financial businesses and professions with regard to AML/CFT in April 2016. Ethiopia conducted its third and final workshop on the National Risk Assessment for money laundering and terrorist finance in December 2016.

Through its AML/CFT legislation, the Government of Ethiopia criminalizes terrorist financing in accordance with international standards, even in the absence of a specific terrorist act; requires the collection of Know Your Customer data for wire transfers; monitors and regulates designated non-financial businesses and professions; and subjects non-profit organizations and religious organizations that collect, receive, grant, or transfer funds as part of their activity to appropriate oversight by the FIC. Ethiopia froze the account of one business entity (amount unknown) under suspicion of having engaged in money laundering and terrorist financing. The FIC routinely

distributes the updated UN lists of individuals and entities under CT resolutions to financial institutions electronically.

While the country's AML/CFT legislation allows freezing and confiscation of terrorist assets without delay, it also authorizes the Council of Ministers to decide the conditions and time limits for the asset freeze, contradicting the principle that freezes pursuant to UN listings should be indefinite until delisting. Furthermore, weak institutional capacity and lack of technical expertise at the FIC, the Government of Ethiopia's poor recordkeeping, and lack of centralized law enforcement records, hindered the ability to identify and investigate AML/CFT activities.

For further information on money laundering and financial crimes, see the *2017 International Narcotics Control Strategy Report (INCSR), Volume II, Money Laundering and Financial Crimes*: http://www.state.gov/j/inl/rls/nrcrpt/index.htm.

Countering Violent Extremism: Although the Government of Ethiopia does not have a Countering Violent Extremism (CVE) National Action Plan as recommended by the UN Secretary-General's Preventing Violent Extremism Plan of Action, it has participated in and provided data to inform the development of a regional CVE strategy by the Intergovernmental Authority on Development (IGAD). The Ethiopian government adopted strategies and programs to counter violent extremism, the most noteworthy of which was the Growth and Transformation Plan II, a five-year plan that seeks to address the socio-economic factors that terrorists exploit for recruitment.

The Government of Ethiopia plans to support IGAD's new Center of Excellence for Preventing and Countering Violent Extremism in Djibouti to discuss prevention and counter-messaging strategies.

Under the Charities and Societies Proclamation, the Government of Ethiopia continued to restrict funding to civil society and non-governmental organizations (NGOs). These funding restrictions limit NGO and civil society capacity to engage marginalized communities, conduct outreach through credible leaders, and implement CVE programming that targets at-risk youth.

International and Regional Cooperation: The Government of Ethiopia participated in African Union-led counterterrorism efforts as a troop-contributing country to the African Union Forces in Somalia. Ethiopia served as the chair of IGAD and participated in its counterterrorism programs and trainings, including the Security Sector Program, which builds the capacity of criminal justice officials in the region to implement rule of law-based approaches to preventing and responding to terrorism. The Government of Ethiopia also supported counterterrorism efforts in Somalia with the Somali National Army and other regional security initiatives. In multilateral efforts against terrorism, Ethiopia generally supported international directives that sought to stem terrorism, including IGAD's efforts to encourage the dissemination of information concerning cross-border terrorist activity.

KENYA

Overview: Kenya is a strong counterterrorism partner of the United States throughout East Africa. Kenya faces an ongoing terrorist threat from the Somalia-based terrorist group al-Shabaab, against which the Kenya Defense Forces have engaged in military operations in Somalia since 2011 as part of the African Union Mission in Somalia (AMISOM). Kenya remained a target of al-Shabaab terrorist attacks, most of which occurred along the northern border region with Somalia. ISIS also claimed responsibility for at least one attack that occurred in Nairobi. Kenyan security services expanded efforts to counter terrorist threats to urban and rural areas in Kenya, some resulting in the reported arrests of suspected operatives associated with al-Shabaab and ISIS. Reports of violations of human rights by Kenya's police and military forces during counterterrorism operations continued, including allegations of extra-judicial killings, disappearances, and torture.

Kenyan officials cooperated closely with the United States and other partner nations on counterterrorism, including investigating and prosecuting terrorism cases. Kenya is one of six countries participating in the President's Security Governance Initiative (SGI), focusing on the management, oversight, and accountability of the security sector at the institutional level. In Kenya, SGI program priorities include border security and management, administration of justice, and police human resource management, with countering violent extremism (CVE) a cross-cutting issue for all three focus areas.

The Kenyan government worked to prevent the transit of foreign terrorist fighters, including Kenyan nationals, attempting to join al-Shabaab in Somalia or ISIS in Iraq, Libya, or Syria.

2016 Terrorist Incidents: Kenya experienced multiple terrorist incidents, including small-scale, but high-profile, attacks in Mombasa on September 11 and in Nairobi on October 27, the first terrorist incidents in Kenya's two largest cities in more than a year.

- In May, on Kenya's southern coast, there were separate incidents in Kwale County in which presumed al-Shabaab gunmen killed one former al-Shabaab member and three community policing officers working with returned al-Shabaab fighters.
- In June, al-Shabaab attackers killed five police officers escorting a passenger bus in Mandera.
- In July, another al-Shabaab attack killed at least six bus passengers in Mandera County.
- In September, police killed three women who attacked officers at Mombasa's central police station.
- In October, al-Shabaab carried out two separate attacks in Mandera, killing at least six people at a workers dormitory and at least 12 people at a hotel.
- In October, a police officer stationed outside the U.S. Embassy in Nairobi shot and killed a man who attacked the officer with a knife. ISIS claimed responsibility for the attack, but it is unknown if the perpetrator was, in fact, ISIS-affiliated.

Legislation, Law Enforcement, and Border Security: Kenya's 2012 Prevention of Terrorism Act, 2011 Proceeds of Crime and Anti-Money Laundering Act, and 2010 Prevention of

Organized Crime Act together provide a strong legal framework under which to prosecute acts of terrorism. The Security Laws (Amendment) Act of 2014 (SLAA) altered 20 laws to strengthen Kenya's legislative framework to fight terrorism, including: criminalization of participating in terrorist training; establishing a framework for a coordinated border control agency; strengthening the mandate of Kenya's National Counter-Terrorism Centre (NCTC); and broadening evidentiary standards to allow greater use of electronic evidence and recorded testimony in terrorism prosecutions.

The Kenyan judiciary continued to demonstrate independence, exemplified by the High Court's actions in 2015, when it struck down some provisions of the SLAA as unconstitutional and demonstrated capacity to handle cases related to terrorism. The judiciary remained hampered, however, by insufficient procedures to effectively use plea agreements, cooperation agreements, electronic evidence, and undercover investigative tools. Allegations of corruption in the judiciary, including in the High Court, have persisted.

Government counterterrorism functions were divided among the three branches of the National Police Service – the Kenya Police (including the paramilitary General Service Unit), the Directorate of Criminal Investigations (including the investigative Anti-Terrorism Police Unit, the Bomb Disposal Unit, and the Cyber Forensics Investigative Unit), and the Administration Police (including the Rural Border Patrol Unit) – as well as non-police agencies, such as the National Intelligence Service (NIS) and elements of the Kenya Defense Forces. In May, the government relocated NCTC, NIS, and the National Security Council to the Office of the President. Interagency coordination improved, particularly in information sharing; however, shortages in resources and training, corruption among some personnel, and unclear command and control hindered operational effectiveness. The government continued, with donor support, to work on a single crisis response command center – a result of lessons learned from the 2015 attack at Garissa University College in which al-Shabaab terrorists killed at least 147 people.

Kenyan officials participated in a range of U.S. government-sponsored capacity-building programs funded and implemented by the Departments of State, Defense, Homeland Security, and Justice. Programs included training in crisis response, border operations, investigations, and prosecutions. Notable among these was the Department of State's third annual East Africa Joint Operations Capstone exercise, a month-long crisis response training series hosted in Kenya for Kenyan, Tanzanian, and Ugandan law enforcement personnel. The exercise culminated in a large-scale simulated response to a terrorist incident in multiple locations over a 20-hour period, and included community engagement and human rights-related issues, as well as a senior-level tabletop exercise.

Border security remained a challenge for Kenya due to vast, sparsely populated border regions and largely uncontrolled land borders. This was exacerbated by security agency and other government resource gaps and corruption at multiple levels.

Kenyan officials emphasized the importance and challenges of border security in their discussions with U.S. counterparts. SGI-supported exchange visits with U.S. border security officials helped to improve Kenyan interagency coordination efforts and refinement of a country border control strategy, as well as legislative changes. Gaps in border security and national

identification systems hampered law enforcement agencies' ability to identify and detain potential terrorists entering and leaving Kenya. Terrorist screening watchlists, biographic and biometric screening, and other measures were largely in place at major Kenyan ports of entry, but screening procedures were sometimes inconsistently or minimally applied, particularly at smaller border posts and airports. Kenya continued its partnership with the United States to strengthen traveler screening using the Personal Identification Secure Comparison and Evaluation System (PISCES) at major ports of entry.

The Kenyan government worked to prevent the transit of foreign terrorist fighters, including Kenyan nationals attempting to join al-Shabaab in Somalia or ISIS and those returning from fighting with these groups abroad. In October, Kenyan prosecutors obtained the first conviction under the 2015 SLAA, which criminalized travel to receive terrorist training. Under the ruling, a Kenyan man was sentenced to 10 years imprisonment after being arrested in Somalia and returned to Kenya.

Kenyan security services detected and deterred terrorist plots during 2016 and responded to dozens of claimed, or presumed, terrorism-related incidents. Kenyan law enforcement did not repeat the widely criticized large-scale security operations of 2014 that appeared to target certain communities. Nonetheless, there were numerous allegations in 2016 that the government or its agents committed arbitrary and unlawful killings, particularly of known or suspected criminals, including terrorists. We refer you to the Department of State's *Country Reports on Human Rights Practices for 2016*, https://www.state.gov/j/drl/rls/hrrpt/ for further information.

Kenya's Independent Policing Oversight Authority continued to make progress in fulfilling its mandate by investigating multiple cases of police misconduct and referring cases to the Office of the Director of Public Prosecutions.

At the end of 2016, several major terrorism cases were ongoing, including the trial of four Kenyans and one Tanzanian citizen charged in connection with the 2015 Garissa University College attack. That trial resumed in January after an administrative postponement in 2015, but was suspended again in October after the Tanzanian defendant was found mentally unfit to stand trial. The trial of British terrorist suspect Jermaine Grant on explosives charges continued. Grant was sentenced in 2015 in a separate trial to nine years imprisonment on charges related to trying to obtain Kenyan citizenship illegally.

The Kenyan government cooperated with the United States to investigate the October 27 attack on a police officer outside the U.S. Embassy in Nairobi and to increase security at the embassy. Kenyan law enforcement agencies worked with regional organizations and the broader international community, including the United States, to increase their counterterrorism capacity and to secure land, sea, and air borders.

Countering the Financing of Terrorism: Kenya is a member of the Eastern and Southern Africa Anti-Money Laundering Group, a Financial Action Task Force (FATF)-style regional body. The Kenyan government implements relevant UN Security Council resolutions, including 1373 and the ISIL (Da'esh) and al-Qa'ida sanctions regime. It has made progress on its

anti-money laundering/countering the financing of terrorism (AML/CFT) regime since its June 2014 removal from review by the FATF for strategic deficiencies.

Kenya's financial intelligence unit, the Financial Reporting Center (FRC), continued to build its capacity to monitor the formal financial system. The government has not yet appointed a permanent director to the FRC, which remained hampered by a lack of essential resources and faced challenges meeting minimum staffing, physical security, and information technology requirements. The FRC also lacked an electronic reporting system for analyzing suspicious transactions. The Central Bank of Kenya continued to encourage Kenyan citizens and residents to use the formal financial sector, which is subject to regulatory oversight, to increase overall financial transaction integrity through greater financial inclusion, but the use of unregulated informal financial mechanisms, including *hawalas*, continued.

Non-governmental organizations are required to report suspicious transactions to the FRC, but compliance is not always enforced.

For further information on money laundering and financial crimes, see the *2017 International Narcotics Control Strategy Report (INCSR), Volume II, Money Laundering and Financial Crimes*: http://www.state.gov/j/inl/rls/nrcrpt/index.htm.

Countering Violent Extremism: In September, Kenya's president launched the government's National Strategy to Counter Violent Extremism. Among other priorities, the strategy highlighted the importance of engagement with civil society and development of county-level countering violent extremism (CVE) action plans. The Lamu, Kwale, and Mombasa county governments established county-level CVE strategies in 2016.

Kenya's government increased its efforts and coordination with international partners to advance CVE, including counter-radicalization to violence, counter-messaging, and the rehabilitation and reintegration of foreign terrorist fighter returnees. The government continued some small-scale efforts to rehabilitate and reintegrate former al-Shabaab fighters, facilitators, and sympathizers, but efforts were constrained by the lack of a clear legal framework and supportive public messaging. The national CVE strategy identified this as a key area of importance. Kenya's second-largest city, Mombasa, is an active member of the Strong Cities Network. Kenyan civil society organizations worked to address the drivers of radicalization and violent extremism in Kenya, often with assistance from the United States and other international partners.

International and Regional Cooperation: Kenya is an active member of the African Union, including on the Peace and Security Committee, and is a troop-contributing country to AMISOM. Kenya remains engaged with the Intergovernmental Authority on Development (IGAD) and hosted several consultative meetings on IGAD's development of a regional CVE strategy during the year. Kenya is also a member of the Partnership for Regional East Africa Counterterrorism. Although not a member of the Global Counterterrorism Forum (GCTF), Kenya is an active participant in relevant GCTF activities and is participating in the GCTF-endorsed International CT/CVE Clearinghouse Mechanism as a pilot country, which is being developed as a means to help countries and donors optimize civilian counterterrorism and CVE capacity-building programs.

MALI

Overview: The Government of Mali remained a willing, if challenged, U.S. counterterrorism partner. Continued terrorist activity was widespread in Mali's ungoverned northern region with limited attacks spreading into central and southern Mali. Lackluster implementation of the June 2015 peace accord between the Malian government and two coalitions of armed groups hampered the return of public services and security to the north. Mali continues to rely heavily on the UN Multidimensional Integrated Stabilization Mission in Mali (MINUSMA) and French forces to provide a measure of stability and security to the northern regions. As the government and northern armed political movements slowly began to implement the peace accord, terrorist groups continued their attacks on all parties to the accord, including former rebel groups with which the terrorists had briefly allied.

The French military continued its integrated counterterrorism mission for the Sahel region under Operation Barkhane, based out of Chad. In cooperation with Malian forces, Barkhane launched numerous operations to degrade the violent extremist elements operating in northern Mali, including al-Qa'ida in the Islamic Maghreb (AQIM), al-Murabitoun (AMB), the Movement for Unity and Jihad in West Africa (MUJAO), the Macina Liberation Front, and Ansar al-Dine (AAD). Domestic and international security forces believed most, if not all of these groups, coordinated efforts on certain operations. MINUSMA maintained its northern presence in 2016, and continued its work with the Malian government and signatory armed groups to facilitate the redeployment of Malian government officials and security forces to the north.

2016 Terrorist Incidents: AQIM, MUJAO, AMB, and AAD continued to conduct terrorist attacks in northern and central Mali. Land mines, improvised explosive devices (IEDs) and vehicle-borne improvised explosive devices, rocket and mortar attacks, and complex small arms fire attacks primarily targeted international and Malian military forces. From the beginning of the year through the end of September, 25 UN peacekeepers were killed, along with eight civilian contractors and one civilian staff member. Continuing a trend that began in 2015, attacks by violent Islamist extremist groups moved beyond the traditional conflict zone in the north to the center and south of the country. Terrorist incidents included:

- Several high-profile kidnappings of westerners occurred in Mali. On January 7, a Swiss citizen was abducted in Timbuktu; AQIM claimed responsibility for the kidnapping. On October 14, a U.S. citizen was abducted in Niger along the Malian border and reports indicate he was being held in Mali; there have been no credible claims of responsibility for his kidnapping.[3] On December 24, a French citizen was abducted in Gao city; no one claimed responsibility for the kidnapping before year's end.

[3] This sentence previously concluded: "*AQIM and AMB took responsibility for his kidnapping.*" A careful review of media, foreign government reports, and U.S. government reports showed that no credible claim of responsibility was made.

- On March 21, gunmen attempted to attack the European Union training mission headquarters at Bamako's Hotel Nord Sud. One attacker was killed trying to breach the perimeter. One was arrested shortly thereafter. AMB and AQIM were suspected of involvement.
- On April 12, three French soldiers were killed by an IED attack claimed by ADD in Tessalit. In response, French forces initiated a series of arrests that later prompted a violent protest that destroyed the Kidal airport, as well as the kidnapping of four International Committee of the Red Cross staff, who were later released.
- Five UN peacekeepers were killed in a May 29 attack against a MINUSMA convoy near Sevare in central Mali.
- On July 19, an attack against a Malian military base in Nampala, later claimed by AAD, resulted in at least 19 Malian soldiers killed and five kidnapped.

Legislation, Law Enforcement, and Border Security: Implementation of Mali's penal code of 2013, intended to help to counter terrorism and transnational organized crime, continued during 2016. The judiciary prosecuted several terrorism-related cases during the year, but the only convictions were in absentia. Examples of this include the November 28 convictions of Mohamed Ag Mohamed Alassane, Moussa Ag Sidi, and Sidi Mohamed Ag Ouness, all of whom were sentenced to death in absentia for terrorist acts. The National Assembly passed a law on November 9, 2015, that defined the composition, structure, and functions of a special judicial unit focused on the fight against terrorism and transnational crime. Created in 2013 and staffed since 2014, the now fully established unit took the lead in the investigation into the November 20, 2015, attack on the Radisson hotel.

Malian security forces and law enforcement responsible for counterterrorism efforts, particularly the Malian National Guard, Gendarmerie, and police components of the newly established antiterrorism unit (Forces Speciales Anti-terroristes, FORSAT) participated in the U.S. Department of State's Antiterrorism Assistance Program for prevention of and response to terrorist attacks. The training efforts included crime scene investigations of a terrorist attack, surveillance detection, first incident response to an attack, securing vital infrastructures, and joint exercises that incorporated and reinforced these training activities. For example, in the lead up to the Africa-France Summit in Bamako in January 2017, Malian security forces planned, rehearsed, and carried out exercises throughout Bamako. In May, Mali and the United States signed an agreement to increase support for the Malian Gendarmerie Crisis Response Team (a SWAT team equivalent) in Bamako.

The Malian Armed Forces under the Ministry of Defense (MOD) remained the primary entities responsible for securing Mali against terrorist threats. The General Directorate of State Security under the Ministry of Security had the authority to investigate and detain persons for terrorism offenses; however, missions between law enforcement and military units that have a counterterrorism mission lacked delineation and coordination. Law enforcement units had a poor record on accountability and respect for human rights.

Although Mali has basic and limited border security enforcement mechanisms in the south, the northern borders remained unsecured. Law enforcement and military units lacked capacity, training, and the necessary equipment to secure Mali's porous borders. The United States

continued to work with the Malian security forces to expand the U.S.-provided Personal Identification Secure Comparison and Evaluation System (PISCES) program. The gendarmerie, which reports to both the MOD and the Ministry of the Interior (MOI); and the national border police, which reports to the MOI; both provide paramilitary support to prevent and deter criminal activity at borders. Customs officials under the Ministry of Economy and Finance monitor the flow of goods and enforce customs laws at borders and ports of entry, but their effectiveness is limited. Mali receives INTERPOL notices, but the INTERPOL database is unavailable at some points of entry.

Customs officials use travel forms to collect biographical information from travelers at airports and manifests for information on goods transiting borders. When conducting investigations, customs officials and border police compare the biographic data on these forms against travel documents and the manifests against seized goods. The exit and entry stamps used by border officials are inconsistent in size and shape, undermining efforts to authenticate travel documents.

Mali began issuing fully biometric passports on April 1, following the March 13 terrorist attack in Grand Bassam, Ivory Coast. The chip-enabled biometric passports will eventually replace previously issued machine-readable passports. Security measures in the machine-readable passports include micro-printing, UV features, and a full-color digital photo. Unfortunately, many of the relatively sophisticated anti-fraud characteristics of the new Malian passport are rendered moot by the relative ease with which imposters can obtain fraudulent documents, such as birth and marriage certificates (which are still chiefly handwritten or typed on carbon paper, then tracked via municipal ledgers that are also handwritten).

Mali was very cooperative in working with the United States to prevent acts of terrorism against U.S. citizens in the country. The Malian judicial system welcomed ongoing cooperation of U.S. law enforcement agencies in the investigation into the November 20, 2015, attack on the Radisson Hotel in which one U.S. citizen was killed. In October 2015, the U.S. Department of State activated its Antiterrorism Assistance program called SPEAR (Special Program for Embassy Augmentation and Response) as a Quick Reaction Force for Embassy Bamako in the event of a crisis. Since the attack at the Radisson hotel, the U.S. Department of State has signed a multi-year agreement to develop a Crisis Response Team within the Malian Gendarmerie team responsible for responding to these types of attacks in Bamako.

The Malian military continued to focus on strengthening command-and-control capacity. It remained insufficiently resourced and lacked personnel trained in effective law enforcement, counterterrorism investigative techniques, and enhanced border security operations.

Countering the Financing of Terrorism: Mali is a member of the Inter-Governmental Action Group against Money Laundering in West Africa, a Financial Action Task Force-style regional body. Mali's financial intelligence unit, the Cellule Nationale de Traitement des Informations Financières (CENTIF-Mali), is a member of the Egmont Group of Financial Intelligence Units.

In accordance with the standard West African Economic and Monetary Union provisions pertaining to the implementation of UN Security Council resolution 1373 and the ISIL (Da'esh) and al-Qa'ida sanctions regime, Mali has incorporated provisions into its national law to enable

the freezing of terrorist assets; however, implementation of this mechanism remained incomplete. The Ministry of Economy and Finance and the Treasury have the responsibility to provide the UN Security Council ISIL (Da'esh) and al-Qa'ida sanctions list to national institutions, all financial institutions, and security forces on a regular basis. The seizure of assets must first be authorized by a judge within the judicial unit focused on the fight against terrorism and trans-border crime. Assets can remain frozen for an unrestricted amount of time during an ongoing investigation. Coordination between investigative agencies is poor, however, and not all suspected cases made it to court.

Most transactions in Mali are cash-based and difficult to regulate given resource constraints. Non-financial businesses and professions are not subject to customer due diligence requirements. Significant challenges to the CENTIF-Mali include a lack of training – especially for investigators who handle terrorist financing cases – as well as a lack of resources to adequately publicize regulations and provide training for bank and public sector employees outside of Bamako.

For further information on money laundering and financial crimes, see the *2017 International Narcotics Control Strategy Report (INCSR), Volume II, Money Laundering and Financial Crimes*: http://www.state.gov/j/inl/rls/nrcrpt/index.htm.

Countering Violent Extremism: In June, Mali drafted its first national strategy for the prevention of radicalization, terrorism, and violent extremism. The Ministry of Foreign Affairs is responsible for coordinating development and monitoring the national strategy. CVE considerations were also integrated into Mali's "Program for Accelerated Development in the Northern Regions," as well as a draft decentralization policy. The Ministry of Religious Affairs is responsible for working with the High Islamic Council and other religious associations to promote moderate Islam and maintain a secular state; however, the absence of Malian government control in much of north and central Mali hindered efforts to prevent increased radicalism and recruitment by violent extremist groups.

International and Regional Cooperation: Mali participated in regional organizations and international bodies including the Economic Community of West African States, the United Nations, and the African Union (AU). Mali remained active in the Trans-Sahara Counterterrorism Partnership and also participated in Global Counterterrorism Forum events. Mali is also part of the Security Governance Initiative between the United States and six African partners, first announced in 2014, which offers a comprehensive approach to improving security sector governance and capacity to address threats.

The Malian military participated in multinational border security operations under the mandate of the G-5 Sahel (Burkina Faso, Chad, Mali, Mauritania, and Niger). Operations were carried out with French and Mauritanian military forces.

Operation Barkhane continued to support G-5 Sahel operations in the region. In July, the AU led a technical assessment mission to Mali to develop regional options to address terrorism and transnational organized crime in the Sahel-Sahara region.

MAURITANIA

Overview: Mauritania remained an important regional counterterrorism partner in 2016. The Mauritanian government continued to oppose terrorism actively and effectively, building on an approach that hinges on community outreach, improving the capacity of security forces, and securing the country's borders. As in years past, the Mauritanian authorities cooperated with U.S. counterterrorism efforts and seized opportunities to participate in U.S.-sponsored training on counterterrorism tactics and techniques.

Mauritania is an excellent security partner with a strong record of taking direct action against al-Qa'ida in the Maghreb (AQIM), ISIS, and similar groups, defending its borders from infiltration and opposing the spread of violent extremist ideology. In the wake of three major terrorist incursions in 2011, which were defeated by Mauritanian security forces, terrorist activity in the country has been reduced substantially.

Mauritania is strategically located. It is both a Sahelian country, hosting the headquarters of the Secretariat of the G-5 Sahel countries (along with Burkina Faso, Chad, Mali, and Niger), and a member of the Arab Maghreb Union (along with Algeria, Libya, Morocco, and Tunisia). Mauritania hosted the Arab League Summit in July.

Regions in Mauritania's interior are imperfectly monitored owing to their geographic isolation from population centers and inhospitable desert conditions. AQIM remained the leading terrorist threat to Mauritania, but al-Murabitoun and like-minded terrorist groups also had a presence in the region, particularly in the southeastern border with Mali.

The number of Mauritanians participating in terrorist activities remained at similar levels since 2011, including Mauritanians in senior-level positions within groups such as AQIM. Local sources estimated 55 Mauritanians as members of AQIM, mainly from the Beydane tribes of Brebich, Eterchane, Ijemmane, Kounta, Oulad Daoud, and Oulad Talha. Government authorities were also alert to the threat of ISIS in Mauritania, as evidenced by a series of arrests of subjects suspected of recruiting for the group.

Mauritanian political and religious personalities – including Islamic figures – periodically condemned ISIS' aims, methods, and activities in their public statements.

Legislation, Law Enforcement, and Border Security: Mauritania's counterterrorism legal framework is relatively new. Enacted in 2010, the national counterterrorism laws define terrorism as a criminal act and prescribed punishment for perpetrators. Additionally, the Mauritanian government continued to sharpen its counterterrorism capabilities in ways that satisfied the obligations in UN Security Council resolutions 2178 (2014) and 2199 (2015). For example, in 2016, Mauritania amended its 2010 counterterrorism statute to expand the impact against foreign terrorist fighters. The 2016 amendments significantly broadened the scope of terrorism, criminalizing for the first time aiding and abetting, inciting, and advising the commission of terrorist acts. The new amendment also provides more clarity in criminalizing as a terrorist offense the intentional act of financing, supporting, or assisting in the organization of a journey by a foreign terrorist combatant to train or train other terrorist combatants for the

purpose of committing terrorist acts. It criminalizes as a terrorist offense the intentional act of committing a murder, abduction, or assault against an internationally protected person (diplomat) or an attack on the diplomat's office or private residence.

Mauritania's National Gendarmerie, a paramilitary police agency; and its National Security Directorate, which falls under the Ministry of Interior; are the primary law enforcement units performing counterterrorism functions. Cooperation and information sharing between the two organizations occurred sporadically.

Although Mauritanian security forces were able to successfully deter and prevent acts of terrorism, Mauritania is committed to further improving its counterterrorism capacity. Throughout the year, personnel from the security forces participated in eight separate courses funded by the Department of State's Antiterrorism Assistance program. This training conferred expertise in relevant tactical and technical skills, to include investigations, evidence gathering, and border security. The Mauritanian government continued to send prosecutors and investigative magistrates to terrorism prosecution training organized by the United States through the Department of Justice (DOJ) and other international partners.

Border security remains a priority of the Mauritanian government, but challenges remain due to a lack of capacity and the lack of a standing policy that accords responsibility for different sections of the country's long land borders to different formations within the security forces. The vast Mauritanian borders traversing inhospitable and hard-to-access areas of the Sahara desert further complicated efforts to monitor and secure borders, particularly those with Mali. To address this challenge, the Mauritanian government designated significant portions of northern and eastern Mauritania as a military zone. Citizens and personnel operating within the zone are required to gain authorization prior to entering. This control allows the Mauritanian military to monitor personnel traversing the country. Mauritania's border forces employ biometric screening capabilities at some, but not all, ports of entry. Information sharing efforts within the government and with other countries in the region were nascent.

Mauritanian authorities continued to arrest terrorism suspects in 2016. In June, during security preparations in advance of Mauritania hosting the Arab League Summit, Mauritanian authorities arrested several individuals believed to be ISIS sympathizers. In October, Mauritania authorities arrested three individuals perceived to be a security threat to Western interests.

Countering the Financing of Terrorism: Mauritania is a member of the Middle East and North Africa Financial Action Task Force and maintains observer status within the Intergovernmental Action Group against Money Laundering in West Africa; both are Financial Action Task Force-style regional bodies. In January, the Mauritanian government submitted to parliament a draft amendment of certain provisions relating to their Law No. 2005-048, which pertains to money laundering and terrorist financing. This amendment aims to harmonize domestic legislation with international conventions. The updated counterterrorism law introduced new provisions on the immediate administrative freezing of the assets of terrorist individuals and entities listed in the UN Security Council ISIL (Da'esh) and al-Qa'ida sanctions regime. Mauritania's current regulations require banks and formal money exchange and remittance offices to report suspicious transactions to its financial intelligence unit, the Financial

Information Analysis Commission. The government also adopted in October a new anti-corruption regulation that has a component on international judicial cooperation on terrorist asset forfeiture and seizure.

Although legislation regulating alternative remittances exists, the Mauritanian government neither has the resources to monitor sizable flows of funds through the informal *hawala* money transfer system, nor considers doing so a priority.

For further information on money laundering and financial crimes, see the *2017 International Narcotics Control Strategy Report (INCSR), Volume II, Money Laundering and Financial Crimes*: http://www.state.gov/j/inl/rls/nrcrpt/index.htm.

Countering Violent Extremism: Although the Mauritanian government does not have a Countering Violent Extremism National Action Plan, it continued to manage programs designed to counter violent extremism and offer alternatives to at-risk individuals. In 2016, the Ministry of Islamic Affairs and Traditional Education inaugurated 19 pilot Islamic schools. Each school supports a workforce of at least 30 students (boys and girls) who each receive a monthly grant of 10,000 ouguiya (US $28) and each teacher receives a salary of 100,000 (US $280).

The government also continued to collaborate with independent Islamic religious organizations to promote moderation, sponsor radio and television programming on the themes of temperance in Islam, and pay monthly salaries of 50,000 ouguiya (US $140) to 200 moderate imams who fulfilled stringent selection criteria.

Regional and International Cooperation: Mauritania remained an active member of the United Nations; the Arab League; the African Union; and the G-5 Sahel, a regional cooperation partnership organized in 2015 with five member countries: Burkina Faso, Chad, Mali, Mauritania, and Niger. The Mauritanian government also played a supportive role in regional Global Counterterrorism Forum meetings that took place in Nouakchott in 2016.

On November 3, Mauritania attended a DOJ workshop held in Rabat, Morocco. This regional workshop focused on building and augmenting the institutional architecture needed to counter transnational crime and terrorism through effective international cooperation, mutual legal assistance, and extradition.

On November 3 and 4, Mauritania hosted the annual meeting of the G-5 Sahel Security and Defense Committee in Nouakchott. During the two-day meeting, Chiefs of Defense of the member states discussed increased cooperation, coordination, and information sharing between their security services to address regional terrorism concerns. On November 20, in N'Djamena, the heads of state of the G-5 Sahel announced the creation of a regional joint force.

NIGER

Overview: In 2016, terrorist groups active in Niger included Boko Haram (BH), al-Qa'ida in the Islamic Maghreb (AQIM), ISIS, the Movement for Unity and Jihad in West Africa, Ansar al Dine, and the Macina Liberation Front. BH and ISIS-West Africa terrorists repeatedly

crossed the border from Nigeria to launch multiple attacks in the Diffa Region of Niger, leading to numerous civilian and security forces deaths. Terrorists also crossed the Mali border to attack civilian and security sites in the Tillabery and Tahoua regions. The Government of Niger redeployed some military and law enforcement resources to this area from the Diffa Region.

Suspected members of AQIM and other terrorist organizations continued to transit through the vast northern part of Niger in the areas bordering Algeria, Chad, Libya, and Mali. Weapons and contraband were moved through these areas, some of which were interdicted by the Nigerien military. With foreign assistance, the Nigerien military continued to increase its capability to patrol, collect information, and interdict terrorists in the north.

Niger remained an outspoken opponent of terrorism in the region, continued to cooperate with international partners – including the United States – and received substantial international counterterrorism assistance. Niger participated in the Security Governance Initiative, focusing on developing a national security review and strategic framework, aligning existing human and material resources more efficiently to address short- and long-term security needs, and improved coordination and communication of security policies to the public.

2016 Terrorist Incidents: There were dozens of localized attacks in the Diffa Region, many leading to loss of life, injury, and loss of property. Attacks included:

- On June 3 and 6, BH terrorists attacked Bosso town in Diffa, killing 32 soldiers.
- On June 16, BH terrorists attacked Ngagam village in Diffa, killing seven gendarmes and looting grain supplies.
- On September 10, unknown assailants attacked the Tabareybarey refugee camp in Tillabery Region, killing one 18-year-old female refugee and one five-year-old male refugee.
- On October 6, unknown assailants attacked a security outpost in Tazalit refugee site in Tahoua region, killing 22 defense and security forces.
- On October 14, unknown assailants kidnapped a U.S. citizen resident in Niger from his home in Tahoua region.

Legislation, Law Enforcement, and Border Security: Niger's laws criminalize acts of terrorism consistent with international instruments on terrorism. Niger's interagency counterterrorism investigative entity, the Central Service for the Fight against Terrorism (SCLCT), includes a separate operational cell in the regional capital of Diffa, where the majority of terrorist attacks occur.

The law enforcement and security services of Niger were actively engaged in detecting, deterring, and preventing acts of terrorism on Nigerien territory; however, a lack of sufficient manpower, funding, and equipment made this more difficult. Counterterrorism investigations in Niger are primarily the responsibility of the SCLCT, comprising representatives from Niger's three primary law enforcement organizations: the National Police, the National Guard, and the Gendarmerie. Information sharing occurred among the law enforcement agencies of SCLCT.

Niger's long borders and areas of harsh terrain made effective border security a challenge, specifically in the north along the borders with Algeria, Libya, and Mali. These borders are very difficult to secure and patrol and are often exploited by smugglers. Niger attempted to improve its border security by increasing the number of border control facilities and requesting assistance from partners to construct and equip facilities. Niger continued to use rudimentary terrorism watchlists that it shares with the security services and at border checkpoints, although the lists were not frequently updated. The Government of Niger continued to partner with the United States by screening travelers using the U.S.-provided Personal Identification Secure Comparison and Evaluation System (PISCES).

Information sharing within the Government of Niger is sometimes slow between services due to stove-piping or a lack of communications equipment. Resource constraints across the spectrum of basic needs, such as electricity, radios, reliable vehicles, computers, technology, and personnel, along with resource constraints within the Ministries of Justice and Interior, made it difficult for the Government of Niger to provide strong law enforcement and border security. Additionally, effective whole-of-government coordination in the fight against terrorism continued to present challenges, and capacity remained lacking in areas such as proactive investigations and non-confession-based prosecutions.

Throughout 2016, the SCLCT arrested terrorist suspects on charges that included planning acts of terrorism, association with a terrorist organization, recruitment, and terrorist financing. At year's end, approximately 1,400 terrorism suspects were detained in Niger awaiting trial, including at least 70 minors. Most of the cases were under review by investigating judges. While the law prohibited torture and degrading treatment or punishment in custody, there were reports security forces beat and abused detainees. Security officials reportedly inflicted severe pain and suffering on detainees in Diffa Region to secure information.

Niger continued to receive counterterrorism assistance from a variety of international partners, including the United States, the European Union, France, and the United Nations. Niger continued to permit French forces to be based in Niamey, as well as in other locations to conduct operations, such as ground and air surveillance. In 2016, Niger and Germany concluded negotiations to base German medical support services in Niamey in support of operations in northern Mali. The United States provided terrorism assistance to Nigerien law enforcement – primarily through the Department of State's Antiterrorism Assistance program; a Resident Legal Advisor from the Department of Justice; and the Global Security Contingency Fund, a joint interagency program between the U.S. Departments of Defense, Justice, and State.

Countering the Financing of Terrorism: Niger is a member of the Inter-Governmental Action Group against Money Laundering in West Africa, a Financial Action Task Force-style regional body. Niger is also a member of the West African Economic and Monetary Union. Niger's FIU, CENTIF, is a member of the Egmont Group of Financial Intelligence Units.

Niger has adopted a regulation to freeze funds linked to terrorist activities. Pursuant to Niger's Code of Criminal Procedure, bank secrecy cannot be invoked before the courts and any assets suspected of or identified as belonging to a terrorist group may be frozen. Niger's

counterterrorism law (Law No. 2008-18) incorporates various offenses related to terrorism, including offenses related to the financing of terrorism.

Despite its efforts, Niger continued to face several challenges in its efforts to counter the financing of terrorism, as its porous borders and historical trafficking routes make it easy for terrorists to smuggle large sums of cash. At year's end, suspected AQIM and BH members were awaiting trial on charges of terrorist financing.

For further information on money laundering and financial crimes, see the *2017 International Narcotics Control Strategy Report (INCSR), Volume II, Money Laundering and Financial Crimes*: http://www.state.gov/j/inl/rls/nrcrpt/index.htm.

Countering Violent Extremism: Although Niger does not have a Countering Violent Extremism (CVE) National Action Plan, Niger's strategy to counter violent extremism included the Sahel-Sahara Development and Security Strategy (SDSS), which aimed to improve security through access to economic opportunities and employment, especially for youth; access to basic social services; good governance at the community and local authority level; and reintegration of forced returnees from Algeria, Cote D'Ivoire, Libya, and Nigeria. Launched five years ago, Niger's SDSS, supported by the U.S. Agency for International Development, helped reduce the risk of instability and increased resiliency to violent extremism through such activities as strengthening moderate, non-extremist voices through radio, social media, and civic education; and working with religious leaders who promote religious tolerance and peaceful resolution of conflict.

Most CVE programming in Niger is driven by international partners and NGOs.

International and Regional Cooperation: Niger deployed an infantry battalion to the United Nations Multidimensional Integrated Stabilization Mission in Mali. Additionally, Niger worked with Algeria, Mali, and Mauritania at the General Staff Joint Operations Committee in Tamanrasset, Algeria. Niger participates in a judicial cooperation organization, the Sahel Judicial Platform, with other countries in the region.

Niger increased its efforts to improve joint patrols and operations with Algeria, conducted joint patrols with Chad and Nigeria, and increased its cooperation with Lake Chad Basin Commission member countries to fight against BH. Nigerien officials hosted and attended multiple international meetings concerning international efforts to counter the threat of BH. Niger is a member of and contributes troops to the Lake Chad Basin Multinational Joint Task Force along with Benin, Cameroon, Chad, and Nigeria.

Niger is an active member of the Trans-Sahara Counterterrorism Partnership. Nigerien officials continued to participate actively in regional programs organized by the Global Counterterrorism Forum's Sahel Region Capacity-Building Working Group and the Criminal Justice/Rule of Law Working Group.

The G-5 Sahel was created in February 2014 to enable region-wide collaboration on the Sahel-Sahara region's political and security situation, and Niger participated in G-5 Sahel

meetings held among the five member countries: Burkina Faso, Chad, Mali, Mauritania, and Niger, along with representatives of the African Union, the United Nations, the Economic Community of West African States, the European Union, and the Organization of Islamic Cooperation.

NIGERIA

Overview: Boko Haram (BH) and ISIS-West Africa continued to carry out killings, bombings, and attacks on civilian and military targets in northern Nigeria, resulting in thousands of deaths, injuries, and significant destruction of property in 2016. The states where attacks occurred most frequently were in Nigeria's northeast, particularly Adamawa and Borno. In March 2015, Abubakar Shekau, the leader of BH, pledged his allegiance to ISIS, rebranding the group as the Islamic State in West Africa. In August 2016, ISIS announced Abu Musab al-Barnawi was the new leader of its West Africa branch. This claim was denied by Shekau, however, resulting in the split of the branch into two distinct groups.

The Nigerian government took steps to increase its counter-Boko Haram efforts. Nigeria continued to work with other Boko Haram-affected neighbors in the Multi-National Joint Task Force (MNJTF) that facilitated collaboration and coordination on counter-Boko Haram efforts. Despite gains made by the MNJTF, much of its reported progress was merely duplication of failed efforts carried over from the end of the last dry/fighting season. The Nigerian military was unable to hold and re-build civilian structures and institutions in those areas it had cleared. Most of the remaining students abducted by BH in Chibok remained in captivity, although one girl was found in Borno, and the Government of Nigeria successfully negotiated the release of 21 of the kidnapping victims.

Terrorist activity accounted for the displacement of nearly two million persons in the states of Adamawa, Bauchi, Borno, Gombe, Taraba, and Yobe. The Nigerian government continued to facilitate the return of internally displaced persons to their home communities, although sometimes without providing adequate security and before appropriate conditions were in place for safe, informed, voluntary returns. There was no evidence in 2016 of the implementation of a coordinated plan to restore civilian security in recaptured territories. In partnership with international donors, the Nigerian government set up several institutions to coordinate the reconstruction of areas destroyed by the conflict in the northeast.

An Interdisciplinary Assistance Team (IDAT) comprising personnel from the Department of State, the Department of Defense, the Federal Bureau of Investigation (FBI) , and the U.S. Agency for International Development continued to work from the U.S. Embassy in Abuja, closely coordinating efforts with the Nigerian military at the Defense Intelligence Agency. Daily military-to-military engagement at the Joint Combined Fusion Cell and the Joint Coordination Planning Committee led to a more detailed understanding of Nigerian military operations and established relationships with mid- and senior-level officers.

2016 Terrorist Incidents: BH carried out dozens of attacks in Nigeria through suicide bombings against civilians or attacks against Nigerian military. Some of the more notable attacks included:

- On January 28, six male and female suicide bombers detonated explosives in Chibok, killing 16 people. While other attacks this year may have resulted in greater casualties, the number of bombers made this attack significant.
- On January 30, BH attacked Dalori with three female suicide bombers and dozens of conventional attackers. At least 85 people were killed.
- On February 9, two female suicide bombers detonated explosives at the Dikwa camp. At least 58 people were killed and 78 people were injured.
- On September 20, a military convoy was attacked in the town of Malam Fatori, Borno State, killing 40 people and injuring dozens.
- On October 16, a Nigerian Army battalion located in Gashagar Village, northern Borno, was attacked by BH members who overran the army position. At least 24 soldiers were reported as missing in action, and have not been reported as found. Several of the army's vehicles were reportedly destroyed or recovered by BH.
- On December 9, two female suicide bombers detonated themselves in a market in Madagali Village, Adamawa State. Nigerian military officials reported 30 people dead and 68 people wounded. Open source news reported up to 57 people dead and 177 people wounded.

Legislation, Law Enforcement, and Border Security: The Nigerian government's criminal justice institutions were not significantly strengthened in 2016, although several donor countries, including the United Kingdom, continued to work closely with the Ministry of Justice to assist in prioritizing how to investigate and prosecute suspected terrorism cases.

While the Nigerian military had primary responsibility for combating terrorism in the northeast, several government agencies performed counterterrorism functions, including the Department of State Security (DSS), the Nigerian Police Force (NPF), and the Ministry of Justice. Counterterrorism activities of these agencies and ministry were ostensibly coordinated by the Office of the National Security Advisor (ONSA). The level of interagency cooperation and information sharing was limited and at times hindered overall effectiveness.

The Nigerian government participated in U.S. counterterrorism capacity-building programs under the Department of State's Antiterrorism Assistance (ATA) program, including the training of NPF members in explosive ordnance disposal, explosive incident countermeasures, and preventing attacks on soft targets. The NPF also stood up the Special Program for Embassy Augmentation and Response, which is a specialized selection and training program for local police dedicated to the security of the U.S. Embassy and other diplomatic missions throughout Abuja. The Nigerian government worked with the FBI to investigate specific terrorism matters, predominantly through the DSS, and provided improvised explosive device components to the FBI for analysis at the Terrorist Device Analysis Center. ONSA, DSS, Nigerian Army, Nigerian Emergency Management Agency, and NPF explosive ordnance and post blast personnel worked with FBI special agents and special agent bomb-technicians in-country. The Economic and Financial Crimes Commission (EFCC) and NPF also received crime scene training relevant to counterterrorism investigations.

Border security responsibilities are shared among NPF, DSS, Customs, Immigration, and the military. Coordination among agencies was limited. Cooperation and information sharing in the northeast increased between Immigration and the Nigerian Army. Nigerian implementation of UN Security Council resolutions 2178 (2014) and 2199 (2015) was limited as the Buhari administration has made limited progress against corruption. Through the ATA program, Nigerian police, customs officials, and immigration officers also participated in interagency "Rural Border Patrol Operations" courses to build the law enforcement sector's ability to effectively use all agencies to tackle rural border security challenges.

The Nigerian government actively cooperated with the United States and other international partners to prevent further acts of terrorism in Nigeria against U.S. citizens, citizens of third countries, and Nigerian citizens. Nigerian law enforcement agencies cooperated with the U.S. FBI to assist with counterterrorism investigations, including disruptions, information sharing, and interviews.

Countering the Financing of Terrorism: Nigeria is a member of the Inter-Governmental Action Group against Money Laundering in West Africa, a Financial Action Task Force-style regional body. Nigeria made limited progress towards the passage of several pieces of legislation intended to address strategic deficiencies in the country's anti-money laundering/countering the financing of terrorism regime. Although passed by the Nigerian National Assembly, the Nigerian Financial Intelligence Centre (NFIC) Bill, which seeks to provide the FIC with operational independence and autonomy, and the Proceeds of Crime Bill had not been signed into law by the end of 2016.

The DSS is the primary investigating agency for terrorism cases, but there have been longstanding sustained concerns about its capacity to investigate terrorist financing as it does not share case information with other agencies that also have the mandate to conduct terrorist financing investigations and prosecutions, such as the EFCC. These concerns continued in 2016. There were no known efforts on the part of the EFCC or the Ministry of Justice to prosecute terrorist financing cases.

The Government of Nigeria has the ability to freeze and confiscate terrorist assets as required by the UN Security Council (UNSC) ISIL (Da'esh) and al-Qa'ida sanctions regime. While there is political will to freeze assets, bureaucratic processes occasionally cause delays. The Nigerian government routinely distributes the UNSC lists of designated terrorists or terrorist entities to financial institutions.

For further information on money laundering and financial crimes, see the *2017 International Narcotics Control Strategy Report (INCSR), Volume 2, Money Laundering and Financial Crimes*: http://www.state.gov/j/inl/rls/nrcrpt/index.htm

Countering Violent Extremism: The Nigerian government's National Counter Terrorism Center, located within the ONSA, updated the National Security Strategy to include strengthening countering violent extremism (CVE) capabilities of state and local governments in the northeast. The government began training staff in Gombe State for a defector reintegration program, Operation Safe Corridor.

In an effort to better equip local communities with the means to prevent and counter violent extremism, Nigeria agreed to serve as an initial pilot country for the Global Community Engagement and Resilience Fund (GCERF). GCERF requires beneficiary countries to establish a multi-stakeholder "country support mechanism" that brings together government agencies, civil society organizations, and the private sector to enable communities to develop localized CVE responses. CVE efforts continued to be hindered by impunity for the security forces' harsh treatment of civilians, lack of trust between security services and communities, and lack of economic opportunities in the northeast.

International and Regional Cooperation: In 2016, Nigeria continued high-level participation in regional security and counterterrorism conferences, including President Buhari's participation in the 26th Summit of African Union Heads of State and Government, held in Ethiopia, and the Second Regional Security Meeting in Abuja, hosted by Nigeria and attended by French and British heads of state, as well as regional leaders from Benin, Cameroon, Chad, and Niger. President Buhari participated in the Third Dakar International Forum on Peace and Security in Africa. Nigeria sought greater cooperation and coordination with neighboring countries to counter the effects of BH, yet has resisted taking control of the regional response. Nigeria is also a member of the Trans-Sahara Counterterrorism Partnership (TSCTP) and is a part of the Security Governance Initiative between the United States and six African partners, , first announced in 2014, which offers a comprehensive approach to improving security sector governance and capacity to address threats.

Nigeria is one of the founding members of the Global Counterterrorism Forum (GCTF). Primarily through the presidency, Nigeria took a leading role in continuing a multilateral dialogue between countries in the region – including through GCTF and TSCTP activities – on how better to coordinate regional efforts to confront networks of terrorist groups that cross national borders. Nigeria also agreed to serve as a pilot country for the Global Counterterrorism Forum-endorsed International Counterterrorism/CVE Clearinghouse Mechanism, which is being developed as a means to help countries and donors optimize civilian counterterrorism and CVE capacity-building programs.

The Nigerian government has not invested significant resources or time enlisting regional organizations, such as the Economic Organization of West African States and Economic Community of Central African States, to assist with the BH problem. Instead, the Government of Nigeria preferred to engage BH militants in direct, unilateral military action and through the MNJTF, which is headed by a Nigerian military officer.

SENEGAL

Overview: The Government of Senegal worked closely with U.S. military and law enforcement officials to strengthen its counterterrorism capabilities. High-profile attacks in late 2015 in Mali and in early 2016 in Cote d'Ivoire and Burkina Faso heightened concerns in Senegal that it could become a target for terrorist attacks. The Senegalese government undertook several important legislative and structural changes to better confront the threat posed by terrorists in the region, but these changes were not fully implemented by the end of 2016.

The risk of violent extremism and terrorist activity in Senegal arises from external and internal factors. Externally, transnational threats arose due to the Senegalese military presence in several theaters of operation in the region. Internally, fundamentalist ideologies promoted by a small number of religious leaders constituted the chief concern; however, these ideologies are well outside the moderate Islam that predominates in Senegal.

Legislation, Law Enforcement, and Border Security: The Government of Senegal enacted several important changes to its counterterrorism structures in 2016. In February, Senegal created a specialized Inter-Ministerial Framework for Intervention and Coordination of Counterterrorism Operations (CICO) to coordinate its terrorism response. In November, the government enacted changes to its Criminal Code and Criminal Procedure Code, creating new terrorism offenses and increasing penalties and pre-trial detention periods. Finally, in December, Senegal's President and Prime Minister signed legislation – unique in West Africa – that consolidates Senegal's intelligence services with its judiciary and could greatly expand Senegal's investigative options in terrorism cases. This law, related to intelligence services, allows intelligence officers to refer cases directly to prosecutors and, in turn, gives prosecutors the power to supervise and direct police officers within the specialized team of investigators assigned to the intelligence services. The CICO and the intelligence law were not fully implemented by the end of 2016. Senegal's Ministry of Justice has created a specialized counterterrorism pool consisting of four prosecutors and seven investigative judges, based in Dakar, who have national jurisdiction for terrorism prosecutions and case oversight.

Senegal's gendarmerie and national police have specialized units to detect, deter, and prevent acts of terrorism. Senegal is working to improve its law enforcement capacity by participating in multilateral efforts, such as the Global Counterterrorism Forum's (GCTF's) Border Security Initiative and programs of the African Union (AU) and the Economic Community of West African States (ECOWAS). Additionally, Senegal has been working with the International Organization for Migration (IOM) to promote cooperation and coordination between border agencies, including creating new, joint points of entry, funded by the European Union and the Government of Japan. With U.S. funding, the IOM is implementing a complimentary program to enhance institutional capacities in securing and managing national borders. This will include developing and emphasizing: stronger community engagement and more coherent approaches to border management, interagency cooperation, and coordination; cross-border interoperability; and trust between border communities and security officials that contributes to establishing open but well-controlled and secure borders guaranteeing full respect of human rights of persons on the move. Senegal also participated in U.S. government counterterrorism capacity-building programs, including the Department of State's Antiterrorism Assistance Program, and received significant funding and training from the French government.

Senegalese officials have identified a continued lack of border resources and regional cooperation as major security vulnerabilities. These vulnerabilities are exacerbated by the absence of systems to ensure travel document security, the effective use of terrorist screening watch lists, and the collection of biographic and biometric screening capabilities beyond those deployed at major ports of entry. The southern and eastern portions of the country have far fewer resources to detect and deter extremists from traveling through those areas. Additionally,

there is a lack of interagency cooperation across the several government entities that deal with terrorism, but there are hopes the newly created CICO will bring much needed coordination within the government.

Significant law enforcement actions in 2016 included the June arrest of a religious leader who was accused of advocating terrorism. He was later sentenced to 30 months in jail. Ten other individuals were arrested during the year on suspicion of conspiring to commit terrorist acts related to their support for Boko Haram. One Senegalese national was arrested in Mauritania and extradited to Senegal in July on charges of conspiracy to commit terrorist acts, illegal possession of explosives, and financing terrorism. Three other individuals were arrested and charged with transmitting terrorism propaganda via social media.

Countering the Financing of Terrorism: Senegal is a member of the Inter-Governmental Action Group against Money Laundering in West Africa, a Financial Action Task Force-style regional body. Senegal's financial intelligence unit, the National Financial Intelligence Processing Unit, is a member of the Egmont Group of Financial Intelligence Units. At the regional level, Senegal implements the anti-money laundering/countering the financing of terrorism (AML/CFT) framework used by member states of the West African Economic and Monetary Union (WAEMU). Among WAEMU countries, Senegal was the first to implement the regional AML/CFT legal framework domestically through the adoption of a terrorist financing law in 2009.

Senegal did not enact any new laws or regulations on CFT in 2016, but it did prosecute one individual under their existing regulations. While Senegal criminalizes the offense of terrorist financing, it does not criminalize the provision of funds to terrorist organizations or to individual terrorists in the absence of a link to a specific terrorist act. Senegal also lacks specific measures to criminalize the provision of support for foreign terrorist fighters. Additionally, Senegal has a framework in place to carry out its obligations under the UN Security Council (UNSC) ISIL (Da'esh) and al-Qa'ida sanctions regime; however, the procedures for accessing and freezing assets of listed individuals is not clarified in existing regulations.

For additional information on money laundering and financial crimes, see the *2017 International Narcotics Control Strategy Report (INSCR), Volume II, Money Laundering and Financial Crimes*: http://www.state.gov/j/inl/rls/nrcrpt/index.htm.

Countering Violent Extremism: Strong cultural and religious traditions have made Senegalese society resistant to violent extremist ideologies. Islam in Senegal is organized around several influential Sufi brotherhoods that are generally tolerant and do not preach extremist ideology. These brotherhoods are also fairly resistant to external influences. There were indications, however, that a small number of religious leaders were espousing fundamentalist ideology that is outside the mainstream moderate Sufi Islam that predominates in Senegal. In December, President Sall took advantage of a major Muslim religious celebration to reach out to the leaders of the Senegalese brotherhoods to highlight the role they play in countering violent extremism and to ask for their support, particularly in the area of education.

International and Regional Cooperation: Senegal is a member of the United Nations, the AU, ECOWAS, the OIC, and the Trans-Sahara Counterterrorism Partnership, as well as the Partnership for Regional East Africa Counterterrorism. In January, Senegal began a two-year term as an elected member of the UNSC and serves as one of the vice chairs of the committee established pursuant to UNSC resolution 1540 on preventing the proliferation of weapons of mass destruction. In November, as president of the UNSC, Senegal co-sponsored with Spain an Arria-formula meeting on cybersecurity and terrorist use of the internet. Although not a member of the Global Counterterrorism Forum (GCTF), Senegal participated in the GCTF's Sahel Region Capacity-Building Working Group. The French and the European Union provided financial support and training to reinforce Senegal's counterterrorism and border security capabilities. In February, Senegal was the host nation for the AFRICOM Flintlock joint military exercise, which included a law enforcement component, and in November, the Government of Senegal hosted the third annual International Forum on Peace and Security in Africa, which included a strong focus on terrorism issues.

SOMALIA

Overview: Security and counterterrorism efforts in Somalia continued to progress through a combination of African Union Mission in Somalia (AMISOM) offensives, U.S. military strikes against al-Shabaab operatives, law enforcement operations in major urban centers, and countering violent extremism initiatives. Despite major security gains against ISIS cells in Puntland and al-Shabaab safe havens in southern Somalia, AMISOM, the Somali National Army (SNA), and other allied militias were unable to degrade al-Shabaab's ability to plan and execute attacks. Al-Shabaab leveraged clan politics and disputes to fuel noncooperation and distrust among local communities toward security forces operating in these areas. They also exploited poor economic conditions to recruit new fighters. These vulnerabilities helped to undermine AMISOM and SNA territorial gains. Federal, local, and regional security authorities lacked sufficient capacity and efficient command and control to prevent most al-Shabaab attacks.

Al-Shabaab experienced increased defection rates and weakened leadership in 2016, yet retained the capacity to conduct asymmetric attacks throughout Somalia. The group executed attacks against harder targets in Mogadishu, including the Mogadishu International Airport (MIA), the Presidential Palace, and popular hotels with security guard forces. In the run-up to the oft-delayed electoral process, al-Shabaab increased the frequency of assassinations of government personnel, many of whom were associated with AMISOM, Somali security services, and the federal government.

In 2016, Somalia remained a safe haven for terrorists who used their relative freedom of movement to obtain resources and funds, recruit fighters, and plan and mount operations within Somalia and in neighboring countries, mainly in Kenya. While ISIS senior leadership did not formally recognize a Puntland-based ISIS-aligned faction in 2016, they have provided some support in an effort to establish a branch in East Africa. In October, the ISIS Somalia faction temporarily took control of Qandala, a coastal town in Puntland's Bari Region. Puntland's security forces organized an operation that dislodged the ISIS fighters with little resistance, forcing them into mountainous camps south of the coast.

In September, President Hassan Sheikh Mohamud launched Somalia's national Countering Violent Extremism (CVE) strategy, which aims to tackle radicalization to violence and violent extremism across Somalia. In the same month in Mogadishu, the president hosted an Intergovernmental Authority on Development (IGAD) meeting attended by several African heads of state, to discuss security and common counterterrorism strategies. Somalia is an active supporter of the Global Coalition to Defeat ISIS.

2016 Terrorist Incidents: Al-Shabaab used a range of asymmetric tactics to execute its targeted campaign against AMISOM and Somali security forces, members of parliament, and other government personnel, as well as popular gathering places, such as hotels, restaurants, and cafes. The group managed to launch several attacks per month in 2016 using suicide bombers, vehicle-borne improvised explosive devices (VBIEDs), ambush-style raids, assassinations, and mortar attacks. Notable incidents in 2016 included:

- On January 15, roughly 300 al-Shabaab fighters attacked the El Adde military base, killing at least 140 mostly Kenyan forces under AMISOM. This was Kenya's largest number of casualties from a conflict since its independence in 1963.
- On February 2, an improvised explosive device concealed in a laptop exploded on an aircraft shortly after departing MIA. The bomb failed to destroy the plane, which was able to return to MIA, or kill any passengers other than the bomber. Ten defendants were convicted in a Somali court, including two al-Shabaab members.
- On July 26, al-Shabaab detonated two VBIEDs on a road outside of MIA's main gate. The blasts were roughly five minutes apart and killed at least 13 people. One of the attackers was a former Somali member of parliament.
- On August 21, al-Shabaab targeted a Puntland government office near an open-air market in Galkayo with two sequential VBIEDs, killing at least 23 security personnel, government officials, and civilians, and injuring roughly 80 others, according to Puntland officials. Al-Shabaab used a common tactic of waiting for first responders and onlookers to gather at the scene of the first explosion before detonating the second VBIED.
- On August 25, al-Shabaab detonated a VBIED near the Banaadir Beach Hotel and Restaurant on Lido Beach, one of several attacks in 2016 targeting the popular Somali beachfront area. The attack killed five civilians and two security personnel and injured seven others.
- On August 30, al-Shabaab detonated a VBIED at the Somali Youth League Hotel, killing at least 20 security personnel, members of parliament, and civilians, and injuring more than 50 people. The hotel is near Villa Somalia, home to the executive branch of the federal government where government officials typically hold meetings.
- On October 1, al-Shabaab militants launched a VBIED attack near the Blue Sky restaurant in Mogadishu, killing at least three people and injuring five others. This popular restaurant is near the Somali National Intelligence and Security Agency (NISA) headquarters and the Jilaow Prison, where al-Shabaab fighters are often held. Al-Shabaab claimed responsibility for the attack, saying security forces and the prison guards were the intended targets.
- On October 26, the leader of ISIS in Somalia, Abdulqadir Mumin, and his fighters occupied Qandala and several coastal towns located in the Bari region of Puntland,

forcing residents to flee. On December 7, Puntland forces recaptured Qandala after clearing several other towns along the way.

- On November 2, two armed men shot and killed a Lower House delegate in Wadajir. According to the United Nations, the assassins were members of the Amniyat, al-Shabaab's intelligence operations wing.

Legislation, Law Enforcement, and Border Security: The Federal Government of Somalia continued efforts to improve civilian security, although some efforts suffered for lack of legislation and human resources. With the exception of specific legislation to address anti-money laundering and countering the financing of terrorism (AML/CFT), Somalia's counterterrorism legislation remained under review through several parliamentary readings. In the absence of counterterrorism legislation, the Federal Government of Somalia tried all terrorism cases in its military court system.

The Somali Police Force (SPF) continued to conduct security investigations and operations targeting known locations of weapons caches in private homes and businesses, often in coordination with other Somali security services and AMISOM. In 2016, the United States made considerable contributions toward the development and capacity building of the law enforcement sector. Somali law enforcement capacities have improved markedly with U.S. mentoring and training initiatives launched in prior years, but additional training is needed to enhance basic police investigation skills and interagency coordination. The U.S.-funded SPF Joint Investigative Team (JIT) responded to more than 100 terrorist incidents, during which they collected evidence, maintained the integrity of the evidence by following chain of custody protocols, and ensured a safe hand-over of the evidentiary materials to the Criminal Investigative Division (CID) for further processing. NISA, Somalia's lead counterterrorism organization, also began coordinating with the JIT during responses to critical incidents. While the SPF made measurable gains to manage terrorist incidents, the judicial system remained weak and underdeveloped, suffering from limited capacity, technical expertise, and poor interagency coordination.

Somalia's porous borders contributed to regional insecurity as al-Shabaab and others continued to move throughout the region mostly undetected. Most countries do not recognize Somali identity documents, leaving Somalia with few options for travel document verification and regional partners unable to properly vet Somali travelers. Somalia does not have a central or shared terrorist screening watchlist, nor does it possess biographic and biometric screening capabilities at ports of entry. There was little law enforcement cooperation between the Federal Government of Somalia and regional governments, limiting U.S. law enforcement's ability to investigate suspected terrorists, kidnappings, and other terrorism incidents committed in the region.

Countering the Financing of Terrorism: Somalia has observer status in the Middle East and North Africa Financial Action Task Force (MENAFATF), a Financial Action Task Force (FATF)-style regional body. In February, Somalia signed into law the Anti-Money Laundering and Countering the Financing of Terrorism Act that had been passed by Parliament in late 2015. Somalia continued efforts to formalize its nascent financial sector and to develop the Central Bank of Somalia's (CBS) capacity to supervise and regulate the informal financial sector,

including money service businesses. Somalia has taken initial steps to ensure compliance with the new laws and procedures requiring the collection of data for money transfers or suspicious transactions. Implementation of the new anti-money laundering/countering the financing of terrorism law requires the development of specialized capacities, in both the public and private sectors, to regulate the financial sector and ultimately allow for the identification, investigation, and prosecution of terrorist financing cases.

The Licensing and Supervision Department of the CBS continued limited on- and off-site inspections and instituted procedures governing the licensing of commercial banks and money services businesses, in part due to the training, technical assistance, and direct mentorship programs of international partners, including the United States and the World Bank.

The Anti-Money Laundering and Countering the Financing of Terrorism Act also established Somalia's financial intelligence unit, the Financial Reporting Center (FRC). Still in its nascent stages, the FRC began to create policies and procedures, develop regulations, and coordinate with the CBS to establish its role as a key agency for the prevention of money laundering and terrorist financing.

For additional information on money laundering and financial crimes, see the *2017 International Narcotics Control Strategy Report (INSCR), Volume II, Money Laundering and Financial Crimes*: http://www.state.gov/j/inl/rls/nrcrpt/index.htm.

Countering Violent Extremism: The Somali government is taking steps to initiate nationwide efforts to counter violent extremism, particularly through counter-messaging. In September, the government launched the region's first national CVE strategy to tackle radicalization to violence and violent extremism across Somalia. The Somali government continued to fund a position within the Ministry of Internal Security to propagate the CVE strategies and promote greater community involvement to counter the influence of terrorist groups. Radio Mogadishu and state-owned television stations broadcasted counter-messaging programming.

As of November 2016, the revised reintegration program that combines funding from Germany and the African Development Bank aimed to reintegrate 50 disengaged combatants per month. International organizations estimated that defections from al-Shabaab to Somali government-led defection programs increased from 2015, although exact estimates were difficult to verify given limited government oversight of these programs. Higher defection rates have been attributed to ongoing counterterrorism pressure from U.S. airstrikes, as well as funding shortfalls that often strain al-Shabaab payments to low-level fighters.

International and Regional Cooperation: Somalia is a member of the African Union, IGAD, the Partnership for Regional East Africa Counterterrorism, the League of Arab States, and the Organization of Islamic Cooperation. The Federal Government of Somalia has expressed greater interest in increasing intelligence sharing and conducting joint operations against al-Shabaab with regional neighbors.

SOUTH AFRICA

Overview: Following the September 2013 Westgate Mall attack in Kenya, the South African Police Service (SAPS) began engaging with U.S. law enforcement agencies to advance its preparedness for similar terrorist attacks in South Africa. U.S.-South African counterterrorism cooperation improved in several areas in 2016. U.S. law enforcement agencies engaged in productive collaboration with the Crimes Against the State (CATS) unit within the SAPS Directorate for Priority Crime Investigation (DPCI) and with the SAPS Crime Intelligence Division (SAPS CI). U.S. and South African agencies shared best practices to enhance risk management efforts and better identify challenges at their borders.

In November 2016, the South African government publicly stated that ISIS had been using South Africa as a "logistics hub and hideout" and that the government had identified the presence of foreign militant "sleeper cells" in its territory. The South African government has not publicly provided estimates of the number of South African nationals who have immigrated or returned from ISIS-controlled territories. A reputable South African-based research institute, the Institute for Security Studies, stated that South Africa serves as a "transit point for terrorists and locations for planning, training, and financing terror organizations."

Legislation, Law Enforcement, and Border Security: In 2016, the law enforcement agencies and judicial system of South Africa used existing legislation to respond to an increased level of terrorism activity. The Protection of Constitutional Democracy Against Terrorist and Related Activities Act (POCDATARA) criminalizes acts of terrorism, financing of terrorism, and sets out specific obligations related to international cooperation. The Regulation of Foreign Military Assistance Act of 1998 applies to nationals who attempt to join ISIS or have enlisted with ISIS. The SAPS CI, CATS, DPCI, and the South Africa's State Security Agency (SSA) are tasked with detecting, deterring, and preventing acts of terrorism within South Africa. The SAPS Special Task Force is specifically trained and proficient in counterterrorism, counterinsurgency, and hostage rescue. The National Prosecuting Authority (NPA) is committed to prosecuting cases of terrorism and international crime. The South African Revenue Service (SARS) protects South African borders from illegal importation and exportation of goods.

Securing the borders of South Africa is a particular challenge as there are numerous opportunities for international transit via land, sea, and air. South Africa has multiple law enforcement agencies policing its borders, but they are often stove-piped and inadequate communication limits their border control ability. Counterterrorism measures at the international airports include screening with advanced technology x-ray machines, but land borders do not have advanced technology and infrastructure. Trafficking networks make use of these land borders for many forms of illicit smuggling.

Citizens of neighboring countries are not required to obtain visas for brief visits. Regulation of visa, passport, and identity documents remains a challenge. The SAPS internal affairs office investigated allegations of corruption within the Department of Home Affairs concerning the sale of passports and identity documents, but the use of illegitimately obtained identity documents continued.

In July 2016, twin brothers Brandon-Lee and Tony-Lee Thulsie were arrested for planning to attack the U.S. Embassy and Jewish institutions in South Africa. They were charged with

three counts of contravening the POCDATARA. Siblings Ebrahim and Fatima Patel were arrested the same day on separate charges for links to ISIS. The Thulsie case is an important test of the POCDATARA and interagency cooperation. As of December 2016, both cases were ongoing.

Countering the Financing of Terrorism: South Africa is a member of the Financial Action Task Force (FATF) and the Eastern and Southern Africa Anti-Money Laundering Group, a FATF-style regional body. South Africa's financial intelligence unit, the Financial Intelligence Centre (FIC), is a member of the Egmont Group of Financial Intelligence Units. Since FATF published its mutual evaluation report on South Africa in 2008, the country's legal and institutional framework for terrorist financing issues have improved, including improved bank supervision capacity and criminalization of money laundering and terrorist financing activities. More recently, the FIC Act Amendment Bill of 2015 proposed amendments to the act governing the FIC's responsibilities that will further address "threats to the stability of South Africa's financial system posed by money laundering and terrorist financing." Among the amendments, the bill assigns responsibility to the FIC to freeze the assets of persons on UN sanctions lists; however, the bill had not been signed by the end of 2016.

For further information on money laundering and financial crimes, see the *2017 International Narcotics Control Strategy Report (INCSR), Volume II, Money Laundering and Financial Crimes*: http://www.state.gov/j/inl/rls/nrcrpt/index.htm.

Countering Violent Extremism: The Government of South Africa does not have a Countering Violent Extremism National Action Plan and its efforts in this area have not been publicly released. South Africa approved implementation of new policies outlined in the 2016 White Paper on Safety and Security. Policies included an integrated approach to preventing violence and crime through information and intelligence-based policing. The goal is to enhance visible policing and public participation. Both SAPS and Metropolitan Police are involved in community policing; community-based policing efforts were enhanced in 2016.

International and Regional Cooperation: South Africa is a member of the African Union, the Global Counterterrorism Forum, and the Southern African Development Corporation.

TANZANIA

Overview: In 2016, there were terrorist attacks on a variety of targets, including police stations, universities, and mosques in Tanzania. Tanzanian security services were involved in investigations and active operations against alleged terrorists. Security services made multiple arrests of alleged terrorists and officials were prosecuting these cases at year's end. Tanzania's legislature amended its Prevention of Terrorism Act, but problems remain, especially with insufficient sentencing guidelines. Tanzania's National Counterterrorism Center (NCTC) increased engagement with the international community on countering violent extremism (CVE). Tanzanians in the past have joined the ranks of al-Shabaab. While Tanzanian government officials have expressed support for the efforts of the Global Coalition to Defeat ISIS, Tanzania is not a coalition partner.

There were several media reports of Tanzanians engaging in violence as foreign terrorist fighters, particularly with regard to al-Shabaab operations in Kenya and Somalia. There were also reports of Tanzanians publicly pledging allegiance to ISIS on social media.

2016 Terrorist Incidents:

- On May 30, 15 masked assailants used improvised explosive devices, machetes, and axes to attack a mosque in Mwanza. At least three people were killed. Police arrested at least three suspects following the attack. No group claimed responsibility for the attack, although reports indicated that the assailants made comments criticizing the government on religious issues.
- On August 23, in a neighborhood just outside of Dar es Salaam, armed assailants attacked a police station where they killed two police officers and stole weapons.

Legislation, Law Enforcement, and Border Security: The Prevention of Terrorism Act of 2002 provides Tanzania's counterterrorism legal framework. Part II of the Act defines certain terrorism offenses, but does not provide sentencing guidelines for all crimes. In May 2016, Tanzania's legislature passed an amendment to the Act – *The Written Laws (Miscellaneous Amendment) (No. 2) Act, 2016, § 55* (adding a new section to the Prevention of Terrorism Act - *§ 11A*). The amendment imposed significant sentences for terrorism crimes, such as providing material support, but does not impose specific sentences for others, such as membership in a terrorist organization or committing a terrorist act. As a result, those convicted for serious terrorism offenses could receive varying and minimal sentences. Additionally, Tanzania has yet to designate ISIS as a terrorist organization under Tanzania law. The government was in the process of developing a national counterterrorism strategy process at year's end.

Tanzanian officials continued interagency coordination efforts in 2016, and the government sought to use investigative forensic techniques to detect, investigate, and fully prosecute suspected terrorists.

Tanzania's NCTC is an interagency unit composed of officers from the intelligence, police, defense, immigration, and prison sectors who work collectively on counterterrorism issues. The organization lacked specialized equipment and basic infrastructure, especially for border security, and NCTC officers lacked training on intelligence analysis and crime scene investigation.

The Tanzania Intelligence and Security Service work in conjunction with the police and other security services on investigations. Once an investigation is completed, cases go to the Director of Public Prosecutions before being brought to court. Government agencies have demonstrated an ability to coordinate in a crisis, but lack the ability to implement a comprehensive plan of action on counterterrorism that formalizes interagency cooperation.

Tanzanian law enforcement officials participated in the Department of State's Antiterrorism Assistance (ATA) program to strengthen capacity in the areas of crisis response, border operations, and counterterrorism investigations. This included a mentorship component for the Tanzanian Police Force on investigations and training on forensic lab techniques and equipment. ATA also provided Terrorist Crime Scene Investigation courses to help build the TPF/Criminal

Investigations Division's (CID) capacity to investigate, arrest, and contribute to the successful prosecution of al-Shabaab operatives and facilitators and other terrorists.

Notable among capacity building activities was the Department of State's third-annual East Africa Joint Operations Capstone exercise, a month-long training series hosted in Kenya for Kenyan, Tanzanian, and Ugandan law enforcement personnel. The exercise culminated in a large-scale simulation of a response to a terrorist incident, including a cross-border pursuit that also focused on community engagement and human rights-related issues.

Border security in Tanzania remained a challenge for a variety of reasons, including corruption; the lack of a dedicated border security unit in the Tanzania Police Force; and vast, porous borders. Tanzanian authorities continued to process travelers using the U.S.-provided Personal Identification Secure Comparison and Evaluation System (PISCES) border management system at major ports of entry. Tanzania's NCTC and Immigration Service generally worked to ensure that all border posts had updated terrorist watchlists, although smaller border posts often must check passports against paper copies of the list.

Tanzanian authorities liaised with Kenyan counterparts to share information and discussed how to more effectively counter violent extremist recruitment efforts and track returned foreign terrorist fighters. Tanzania was constrained from greater action on counterterrorism efforts by a lack of financial resources, capacity, and interagency cooperation, as well as having no national counterterrorism strategy.

On multiple occasions, authorities arrested individuals on charges of terrorist activities for running makeshift training camps out of residential compounds and teaching children physical combat techniques. The most notable of these incidents occurred in October in Bagamoyo and in November in the Kilongoni-Vikinfu area, 19 miles outside of Dar es Salaam.

Countering the Financing of Terrorism: Tanzania is a member of the Eastern and Southern Africa Anti-Money Laundering Group, a Financial Action Task Force-style regional body. The Tanzanian Financial Intelligence Unit is a member of the Egmont Group of Financial Intelligence Units; it continued to follow regulations passed in 2014 to implement the UNSC ISIL (Da'esh) and al-Qa'ida sanctions regime. In 2016, there were no known prosecutions or asset freezes related to counterterrorist finance, and investigatory and prosecutorial capacity remained weak. The recently enacted "The Written Laws (Miscellaneous Amendments) Act 2016," calls for the establishment of The Corruptions and Economic Crimes Division of the High Court, however, and could potentially lead to faster money laundering and terrorist financing case adjudication.

For further information on money laundering and financial crimes, see the *2017 International Narcotics Control Strategy Report (INCSR), Volume II, Money Laundering and Financial Crimes*: http://www.state.gov/j/inl/rls/nrcrpt/index.htm.

Countering Violent Extremism: The current focal point of NCTC's approach to countering violent extremism (CVE) is its community policing program. Through this initiative, which has been active in many perceived radicalization hot spots for several years, officials believe they are

building better relations with key communities and have been better able to detect threats tied to radicalization. In addition, the police enforced laws against spreading messages advocating violence by confiscating cassettes containing violent extremist messaging that are sold on the streets. NCTC officials expressed a desire to implement community awareness programs with a counter-radicalization focus, but they lacked the funds to develop such an initiative.

Tanzania's nascent efforts at counter-messaging included outreach to religious leaders to encourage moderate voices and to discourage guest preachers who might seek to spread extremist ideologies in houses of worship.

Tanzania does not have a Countering Violent Extremism National Action Plan. While some sectors of the government discussed the need for a counterterrorism public relations campaign, such an effort was not funded or implemented in 2016. As donor interest in CVE has increased, the NCTC has emerged as the government's focal point for engagement with the international community. The government did not institute any new CVE programs in 2016, but donors expressed interest in partnering with the government on CVE efforts in the future.

International and Regional Cooperation: Tanzania is a member of the African Union, the Southern African Development Community, and the East African Community, all of which implemented counterterrorism initiatives. Although Tanzania is not a full member of the Intergovernmental Authority on Development (IGAD), Tanzania participated in IGAD's development of a Regional Strategy on Preventing and Countering Violent Extremism for the IGAD region and Greater Horn of Africa, with support from the United Nations Development Programme. Tanzania is an active member of the Partnership for Regional East Africa Counterterrorism and participated in the Global Counterterrorism Forum.

Tanzania's NCTC coordinated with partner organizations through the East African Police Chiefs' Organization and the Southern African Police Chiefs' Organization. Police officials also worked closely with INTERPOL. Tanzania had close relations with police and counterterrorism officials in Kenya and Uganda, although they would benefit from better mechanisms to share information electronically.

UGANDA

Overview: The Government of Uganda continued its significant counterterrorism efforts in East Africa and the Horn of Africa in 2016 and demonstrated strong political will to apprehend suspected terrorists and disrupt terrorist activity in its territory. Uganda participated in regional efforts to neutralize al-Shabaab as the largest troop contributing country to the African Union Mission in Somalia (AMISOM).

The Government of Uganda's ability to respond to counterterrorism threats was inconsistent, however, given resource and capacity limitations, porous borders, and corruption at all levels of government. The Government of Uganda and members of the ruling National Resistance Movement at times labeled domestic political opposition as "terrorism" and individuals challenging government or party interests as "security threats," potentially diverting attention and resources from pursuing core counterterrorism goals.

Only one terrorism alert was issued in 2016. On May 2, the Ugandan Police Force (UPF) announced it had received information about a terrorist threat to airports and government installations in Entebbe and Kampala. Police increased their presence at the airport and at other government buildings in response to the threat, and no terrorist act occurred.

Legislation, Law Enforcement, and Border Security: In January, Uganda's parliament passed one amendment to the Anti-Terrorism Act of 2002, which was signed into law by President Museveni in late January. This amendment broadened the definition of terrorist acts to allow for prosecution of individuals who travel outside Uganda for the purposes of planning or being trained for a terrorist act.

The UPF Directorate of Counterterrorism is the lead law enforcement entity charged with investigating, disrupting, and responding to terrorist incidents. While highly motivated, the UPF overall was limited in its capacity to detect, deter, and respond to terrorist incidents due to a lack of human resources, funding, and training. Further, UPF officials were susceptible to corruption due to low and inconsistent pay. Although the UPF held regular interagency meetings in an attempt to ensure coordination among its security and intelligence agencies, the bulk of law enforcement elements were centrally located in Kampala, limiting their effectiveness in areas outside of Kampala.

The United States continued to provide significant capacity building assistance to the UPF, specifically through the Department of State's Antiterrorism Assistance program. Border security remained a persistent concern for the Ugandan government, with especially porous borders between Uganda and both South Sudan and the Democratic Republic of the Congo. Uganda used the U.S.-provided Personal Identification Secure Comparison and Evaluation System (PISCES) to conduct traveler screening at the country's major ports of entry. The use of PISCES led to the late-November 2016 arrest of one individual allegedly linked to the al-Shabaab bombings in Kampala in 2010; the individual was attempting to cross the border from Kenya to Uganda and was flagged by the PISCES system.

The U.S. Federal Bureau of Investigation (FBI) maintained strong relationships with the UPF and continued to work with the Ugandan government on terrorism investigations. One particular joint investigation culminated in the May 2016 Ugandan court conviction of eight individuals for orchestrating the July 2010 al-Shabaab bombings in Kampala, which resulted in 76 deaths and 70 injuries. The results of the convictions were five life sentences, two 50-year sentences, and one community service sentence. Five persons were acquitted, but remained in custody.

Countering the Financing of Terrorism: Uganda is a member of the Eastern and Southern Africa Anti-Money Laundering Group, a Financial Action Task Force (FATF)-style regional body. While Uganda remained under review by the FATF in 2016 owing to its strategic anti-money laundering/countering the financing of terrorism (AML/CFT) deficiencies, it continued to make progress towards criminalizing terrorist financing and implementing United Nations (UN)sanctions in line with international standards. This included the 2016 enactment of amendments to its regulation implementing UN Security Council (UNSC) resolution 1373 and the UNSC ISIL (Da'esh) and al-Qa'ida sanctions regime.

As noted, Uganda remained under review by the FATF due to gaps in its AML/CFT infrastructure. Specifically, the list of action items relate to the criminalization of terrorist financing, the implementation of procedures for freezing terrorist assets, provisions that financial institutions are subject to adequate record-keeping requirements, and ensuring adequate supervision and enforcement of compliance with AML/CFT requirements.

A significant portion of financial transactions in Uganda are in the form of "mobile money" payments and transfers, which can be abused by individuals for a multitude of crimes, including terrorism. While Uganda's Anti-Money Laundering Act requires financial institutions to conduct comprehensive customer due diligence, it does not put the same requirements on mobile money transfers.

For further information on money laundering and financial crimes, see the *2017 International Narcotics Control Strategy Report (INCSR), Volume II, Money Laundering and Financial Crimes*: http://www.state.gov/j/inl/rls/nrcrpt/index.htm.

Countering Violent Extremism: The Government of Uganda does not have a Countering Violent Extremism (CVE) National Action Plan, as recommended by the UN Secretary-General's Preventing Violent Extremism Plan of Action. As of November, a small team consisting of counterterrorism security personnel (military and police) was drafting a CVE strategy for the Ministry of Internal Affairs. No civilian government agencies were known to be involved in the drafting process. Muslim religious leaders and civil society groups presented their research and views on drivers of violent extremism to the drafting team. Civilian Government of Uganda representatives attended regional CVE meetings organized under the auspices of the Intergovernmental Authority on Development (IGAD), an eight-country trade bloc in Africa that includes governments from the Horn of Africa, Nile Valley, and the African Great Lakes and attended U.S. government CVE summits and programs.

International and Regional Cooperation: Uganda is a member of IGAD, the East African Community, the Partnership for Regional East Africa Counterterrorism, and the International Conference on the Great Lakes Region. Uganda contributes troops to the African Union (AU)-Regional Task Force (AU-RTF) for the AU's Counter-Lord's Resistance Army (C-LRA) effort, and is the largest troop contributing country in AMISOM.

EAST ASIA AND PACIFIC

Overview: In 2016, terrorist attacks occurred in Australia, Indonesia, Malaysia, the Philippines, and Thailand. ISIS-affiliated operatives attempted but failed to conduct additional attacks in Indonesia and the Philippines, and a number of other terrorist attacks were foiled by arresting or deporting individuals who were in various stages of attack planning in these countries, as well as Australia and Malaysia. The flow of foreign terrorist fighters to Iraq or Syria from the region declined throughout 2016, consistent with global trends. As a result, regional concerns shifted to foreign terrorist fighters potentially returning to Southeast Asia and using the operational training, skills, connections, and experience gained in Iraq or Syria to launch domestic attacks.

Governments in East Asia and the Pacific continued to work to strengthen legal frameworks, investigate and prosecute terrorism cases, increase regional cooperation and information sharing, and address critical border and aviation security gaps throughout the year. Cooperation between domestic law enforcement and judicial authorities throughout Southeast Asia, especially in Indonesia, Malaysia, and Singapore, resulted in high numbers of terrorism-related arrests and, in many cases, successful prosecutions. Despite these efforts, Southeast Asia remained a target for terrorist group recruitment.

East Asian countries actively participated in regional and international efforts to counter terrorism. Australia, Japan, Malaysia, New Zealand, the Republic of Korea, Singapore, and Taiwan are partners in the Global Coalition to Defeat ISIS. Australia and Indonesia continued their co-chairmanship of the Global Counterterrorism Forum's Detention and Reintegration Working Group.

The Japanese government continued to participate in international counterterrorism efforts at global, regional, and bilateral levels. Japan identified counterterrorism as one of its priorities for its G-7 presidency and joined the UN Security Council as an elected member for 2016-2017.

China's counterterrorism efforts focused primarily on the East Turkistan Islamic Movement (ETIM); it continued to claim ETIM has influence in the Xinjiang Uighur Autonomous Region (XUAR) and was responsible for several domestic attacks, as well as an attack on the Chinese Embassy in The Kyrgyz Republic. In July, the XUAR became the only provincial level government to pass specific implementing measures of a new counterterrorism law. China continued to express concerns that Chinese citizens have traveled to Syria and Iraq to associate with ISIS.

AUSTRALIA

Overview: In 2016, Australia continued to strengthen counterterrorism laws; investigate and disrupt suspected terrorists; and maintain high levels of cooperation with the United States and international partners, including through the Global Coalition to Defeat ISIS. Australia plays a major role in the coalition as a leading contributor of military support, humanitarian assistance, and efforts to disrupt foreign terrorist fighters. Australia contributed more than 300 personnel, including a Special Operations Task Group, to provide training and advising capacities in Iraq; and provided strike operation capability in Syria and Iraq by contributing F/A-18 Hornet fighters,

a tanker aircraft, and an airborne control aircraft. In July, Prime Minister Malcolm Turnbull announced that Australia would expand training to paramilitary police agencies, including Iraqi federal and local police and border guard forces. Additionally, Australia works with a number of partners in Southeast Asia to build capacities and strengthen the response to the foreign terrorist fighters and ISIS threats in the region.

Michael Keenan, the Minister Assisting the Prime Minister for Counterterrorism, noted in November that the preeminent terrorist threat in Australia is from individuals or small groups who use simple attack methodologies. These lone offender threats were not exclusive to violent Islamist extremism; a right-wing violent extremist was also charged with terrorism-related offenses in Melbourne.

2016 Terrorist Incidents: Australia experienced one terrorist-related attack and disrupted five plots. The attack involved a 22-year-old man inspired by ISIS, who non-fatally stabbed a 59-year-old man in Sydney before being arrested and charged with attempted murder and terrorism offenses.

Legislation, Law Enforcement, and Border Security: The Australian government continued to apply its comprehensive counterterrorism legislation against domestic threats and passed additional legislation to strengthen national security protections. In December, the Australian Parliament passed the Criminal Code Amendment (High Risk Terrorist Offenders) Bill 2016, which allows for the ongoing detention of high-risk terrorist offenders, approaching the end of their custodial sentences, but who pose an unacceptable risk of committing a serious terrorism offense if released. Another amendment this year to the Commonwealth Criminal Code empowered the Australian military to target a broader range of ISIS operatives, consistent with international law.

In July, Australia launched the Australian Criminal Intelligence Commission (ACIC), which combined Australian law enforcement and criminal information agencies to provide a broader picture of imminent threats, and help identify links between organized crime and national security investigations, including foreign fighters, terrorists, extremists, and their supporters. The Australian Counterterrorism Center was restructured in 2016 to better coordinate Australia's counterterrorism efforts and to ensure that Commonwealth agencies work together on operations, policy challenges, and capability development.

The U.S. and Australian law enforcement communities have excellent information sharing and counterterrorism collaboration. U.S. law enforcement agencies routinely coordinated investigations with their Australian counterparts, resulting in numerous arrests and convictions. Following the July terrorist attack in the French city of Nice, Australia completed a government review of soft targets to identify vulnerabilities and was in the process of finalizing a plan to address this issue by the end of 2016.

Australia's border security remains robust. Australia's lead agencies take a proactive stance and have increased security overall. Passport controls are in place using INTERPOL, biographic, and biometric methods. Approximately 190 Australian passports have been canceled or refused for citizens attempting to travel or who have traveled to Iraq or Syria.

Australia enjoys strong partnerships on information sharing with the United States and other Five Eye partners (Canada, New Zealand, and the United Kingdom). Australia created a Border Intelligence Fusion Center in 2016, which combines Australia's major intelligence agencies in a single location. Australia also shares port information with regional partners throughout Southeast Asia.

More than 100 Australians have traveled to fight with terrorist groups in Iraq or Syria, and approximately 200 people in Australia are being investigated for providing support to terrorists. Australia passed a law aimed at countering foreign terrorist fighters in 2014 and increased the resources and authorities of law enforcement and security services, enabling a number of foreign terrorist fighter arrests.

Since September 2014, a total of 56 people, including six juveniles, have been sentenced or are facing terrorism-related charges as a result of 24 counterterrorism operations. Significant law enforcement actions in 2016 included:

- In May, five Melbourne men were arrested in Queensland for allegedly planning to leave Australia in a small boat to join the ISIS-affiliated terrorist groups in the Philippines. They were charged with making preparations for incursions into foreign countries to engage in hostile activities.
- In August, police arrested a man believed to be a right-wing violent extremist who was allegedly plotting to attack two locations. He was charged with collecting or making documents likely to facilitate a terrorist act and planning or preparing for a terrorist act.

Countering the Financing of Terrorism: Australia continued its regional and global leadership in counterterrorist finance. As a member of the Financial Action Task Force (FATF) and a co-chair of the FATF's Risks, Trends, and Methods Group, Australia recently obtained observer status in the Middle East and North Africa's Financial Action Task Force, a FATF-style regional body. Australia is a founding member and co-chair of the Asia/Pacific Group on Money Laundering (APG), a FATF-style regional body, and a co-chair of the APG Mutual Evaluation Working Group. Australia's financial intelligence unit, the Australian Transaction Reports and Analysis Centre (AUSTRAC), is a founding member of the Egmont Group of Financial Intelligence Units, and assisted Southeast Asian countries in developing a regional profile of financial characteristics of foreign terrorist fighters. Australia also serves as the chair of Egmont's Information Exchange Working Group and is a core member and major contributor to Egmont's multilateral ISIS project.

Australia faces a range of terrorist financing risks and counters the risks with a comprehensive legal and administrative framework. Australia can automatically freeze United Nations (UN)-designated terrorism-related assets and has made numerous domestic designations. Australia implements its obligations to restrict terrorist financing in accordance with the UN Security Council ISIL (Da'esh) and al-Qa'ida sanctions regime.

AUSTRAC, in partnership with law enforcement agencies, detects, prevents, and deters money laundering and financing of terrorist activities, and also regulates money transfers and remittance services. Regulated businesses include financial, gambling, remittance, and bullion services,

which are subject to Know Your Customer requirements, transaction monitoring, and ongoing customer due diligence requirements. Australia is moving to regulate e-currencies, such as Bitcoin. Charities are not a regulated sector for the purposes of "suspicious matter reports" (SMRs).

In 2016, AUSTRAC reported a 201 percent increase in International Intelligence Exchanges with 1,262 incoming requests and 461 outgoing requests. During the 2015-2016 fiscal year, AUSTRAC received 78,846 SMRs, comparable to the previous year, but the number of SMRs related to suspected terrorist financing increased 7 percent. Applying rigorous detection and monitoring processes, AUSTRAC referred 390 SMRs amounting to US $58.47 million in the 2016 fiscal year to the Australian Federal Police and the Australia Security Intelligence Organization on suspicion of terrorism-financing links. The 390 reports were linked primarily to Australians traveling to join terrorist groups in Syria and Iraq. Using an active alert system, AUSTRAC notified partner agencies of transactions relating to persons of interest, including more than 100 persons linked to counterterrorism matters.

In April, AUSTRAC co-hosted the Experts Symposium on Regional Risks of Terrorist Finance in Medan, Indonesia, which planned a regional risk assessment on terrorist financing. In June, AUSTRAC co-led the Regional Risk Assessment Workshop in Manila, Philippines, hosted by the Anti-Money Laundering Council, the Philippines' financial intelligence unit. In August, AUSTRAC established a cyber-team to identify online terrorist financing activities, money laundering, and financial fraud. For the second consecutive year, Australia and Indonesia co-hosted the Counterterrorist Financing (CTF) Summit in Bali in August, attended by more than 200 specialists from more than 20 countries. During the Summit, Australia launched the world's first regional risk assessment, discussed earlier in Medan. In November, AUSTRAC announced a risk assessment of the non-profit sector in Australia to improve understanding of money laundering and terrorist financing risks in this sector. AUSTRAC also signed Memoranda of Understanding for the exchange of financial intelligence and other information with Cambodia, China, and Jordan.

For further information on money laundering and financial crimes, see the *2017 International Narcotics Control Strategy Report (INCSR), Volume II, Money Laundering and Financial Crimes*: http://www.state.gov/j/inl/rls/nrcrpt/index.htm.

Countering Violent Extremism: The Australian Attorney-General's Department (AGD) leads the nation's countering violent extremism (CVE) efforts. Following a department restructure this year, the AGD established the CVE Center, which is composed of four overlapping streams that build strength in diversity and social participation, target work with vulnerable communities and institutions, address terrorist propaganda online, and counter radicalization to violence. The *Challenging Terrorist Propaganda in Australia* program has been operating since July 2015. State and territory-led intervention programs identify radicalized and at-risk individuals and provide tailored services to address the drivers of their radicalization to violence. The Australian government coordinates support and funding to state and territory governments to implement programs. In May, the Australian government announced an additional investment of US $3.73 million to communities impacted by violent extremism and to prevent young people from being attracted to violent extremism online. The Australian government created the

Living Safe Together website (http://www.livingsafetogether.gov.au/), which offers multiple resources and perspectives on building community resilience to violent extremism.

Radar, a CVE intervention tool, was designed and implemented nationally by the AGD. It connects at-risk individuals with a range of government and non-government services that assist them in disengaging from violent extremism. The New South Wales Counter Terrorism and Special Tactics Command, in cooperation with the New South Wales Department of Justice and other stakeholders, is researching further tools that can be introduced to add value to the existing Radar tool, with emphasis on the assessment phase of the intervention program.

The Government of Australia continued to engage with social media companies about monitoring and removing content. In October, the AGD CVE Center participated in a youth engagement forum in Melbourne in partnership with Facebook, Google, Microsoft, and Twitter. The Australian government supported a private media partnership with the Islamic Council of Victoria to develop CVE workshop materials and deliver training in four pilot cities. Australia commenced work on a policy to address the return of the families of foreign terrorist fighters, using a whole-of-government approach focusing on social services assistance. In November, Australia hosted an international meeting in Melbourne attended by nine countries on countering violent extremist behavior.

International and Regional Cooperation: Australia strongly supported counterterrorism efforts in regional and multilateral organizations in 2016. Australia is a member of the United Nations, the Association of Southeast Asian Nations (ASEAN) Regional Forum, the Pacific Island Forum, Asia-Pacific Economic Cooperation (APEC), the Global Counterterrorism Forum (GCTF), and the Global Initiative to Combat Nuclear Terrorism. Australia also volunteered to chair the Counter-Terrorism Working Group of APEC. As a member of the GCTF, Australia co-chairs with Indonesia the Detention and Reintegration Working Group, which focuses on capacity building for corrective services officials and prisons officers; strengthening security of detention facilities; detention and correction programs for terrorist detainees; and developing pre-release and post-release/aftercare programs.

Bilaterally, Australia supports a range of capability development and capacity-building activities with bilateral partners, particularly in the Indo-Pacific Region. Indonesia continued to use the Australia-supported Jakarta Center for Law Enforcement Cooperation, which has trained more than 18,000 police officers from 70 countries since its inception in 2004, as a regional resource in the fight against transnational crime with a focus on counterterrorism. Australia has also concluded memoranda of understanding on counterterrorism with 17 countries.

Australia attended the East Africa CVE Center of Excellence and Counter-Messaging Hub Coordination Meeting in New York in September. In October, Australia and the International Organization for Migration co-hosted a Regional Biometric Data Exchange Solution Workshop in Bangkok, and attended the U.S.-Japan-Australia Counterterrorism Dialogue Trilateral in Tokyo. Australia supported the Annual International CVE Research Conference in Jakarta in December.

CHINA (HONG KONG AND MACAU)

Overview: In 2016, China's government continued to list terrorism as one of "three evils" – along with religious extremism and separatism, which threaten domestic stability. China's counterterrorism efforts focused primarily on the East Turkistan Islamic Movement (ETIM), an organization that advocates independence for the Uighurs, China's largest Muslim ethnic minority. In the past year, Chinese authorities have escalated security and surveillance in the Xinjiang Uighur Autonomous Region (XUAR). China's first comprehensive counterterrorism law came into effect on January 1, 2016. This law explicitly endorses China's longstanding counterterrorism efforts, which are sometimes difficult to distinguish from suppression of individuals and groups, most often ethnic Uighurs, who the Chinese Communist Party deems politically subversive.

There were also indications that ISIS was beginning to pose a threat to China in 2016. An ISIS song published in Mandarin called for Chinese Muslims to take up arms against China because of its religious suppression. The Chinese government reported that some Chinese citizens have joined ISIS and other terrorist organizations in the Middle East, and are concerned these foreign terrorist fighters could return to China with increased skills. As a result, China has attempted to prevent some of its citizens from traveling to Syria, Iraq, and Central Asia.

Counterterrorism cooperation between China and the United States remained limited. In 2016, the United States hosted the third bilateral Counterterrorism Dialogue with China and the second expert-level exchange on Countering Improvised Explosive Devices. Chinese law enforcement agencies generally remained reluctant to conduct joint investigations or share specific threat information with U.S. law enforcement partners. Chinese law enforcement officials also did not respond to requests for information about state media-reported arrests and operations. This lack of transparency complicated efforts to verify details of terrorism and other violent acts inside China.

2016 Terrorist Incidents: The Chinese government reported a drop in terrorist incidents in XUAR in 2016, although it continued to allege that ETIM attempted to carry out attacks in China or direct violence through its online propaganda. The lack of transparency and detailed information provided by China about alleged terrorist incidents in China greatly complicated efforts to confirm the nature of the alleged incidents. In addition, requests by U.S. law enforcement officials for information on terrorist incidents from Chinese officials went largely ignored. Violent incidents labeled as terrorist attacks in China and against Chinese interests in 2016 included:

- In August, a car driven by suicide bombers exploded after ramming the gates of the Chinese Embassy in Bishkek, The Kyrgyz Republic, injuring three locally employed staff, but no Chinese nationals.
- In September, a local police chief was killed and other officers injured during a home raid when explosives were detonated in Hotan, Xinjiang, according to Western and Hong Kong media.
- In December, four terrorists detonated explosives at a government building in Xinjiang, killing one and injuring three others, according to Western and Hong Kong media.

Legislation, Law Enforcement, and Border Security: Counterterrorism measures enacted in 2015 that intensified enforcement, surveillance, and security throughout the country continued in 2016. These measures increased inspections at all main transportation hubs, including bus and train stations, railways, airports, and ports. The measures also included an enhanced and expanded video and data surveillance network. Chinese law enforcement and security forces in Xinjiang conducted violent raids and unannounced house searches, and carried out body searches and mobile phone searches in public venues, according to international and Chinese state media sources.

In addition to these counterterrorism measures, the National People's Congress passed the country's first counterterrorism law on December 28, 2015, to "provide legal support for counterterrorism activities, as well as collaboration with the international community." The law, which took effect on January 1, 2016, broadened China's definition of terrorism beyond internationally accepted definitions and intensified the scope of its counterterrorism measures. The law further made provisions to establish a counterterrorism intelligence center to better coordinate terrorism response and information sharing across government agencies.

The law also required foreign firms to provide technical and decryption assistance to Chinese authorities as part of terrorism-related investigations. The legislation stipulated measures on internet security management, inspection of dangerous materials, prevention of terrorist financing, and border controls. Other provisions under the new law include: the Central Military Commission's ability to authorize the People's Liberation Army to perform counterterrorism operations abroad; punishment of news media that report counterterrorism operations without approval from government authorities; greater cooperation with international counterterrorism bodies; protection for overseas Chinese citizens; deletion of terrorism-related audio and video material from the internet; strengthened border controls; and edicts to eliminate "religious extremism," including the "education and transformation" of terrorist offenders using "authentic" religious teachings.

In July, XUAR became the only provincial-level government to pass specific implementing measures for the counterterrorism law. These XUAR implementing measures banned "instigating, encouraging, or enticing a minor to participate in religious activities," proscribed the wearing of clothing that "advocate's extremism," and prohibited the "distortion of the concept of halal" or "distorting sensitive cases." The XUAR's regional law-making body also threatened fines up to US $72,700 for spreading news or information through social media or websites that could harm "stability" or "religious harmony" more broadly. We refer you to the *State Department's Country Reports on Human Rights Practices* for further information.

In December, the XUAR People's Congress adopted amendments to its border management regulations, tightening rules for individuals crossing to and from neighboring countries and granting local authorities the power to close border crossings to address "defense management, counterterrorism, and stability maintenance needs."

Countering the Financing of Terrorism: China is a member of the Financial Action Task Force (FATF), the Asia/Pacific Group on Money Laundering, and the Eurasian Group on Combating Money Laundering and Terrorist Financing. The Chinese government has

strengthened preventive measures to counter terrorist financing, such as making suspicious transaction reports more comprehensive. Based on current law enforcement investigations, the United States is concerned that China does not adequately control terrorist financing. Chinese law enforcement claims to have limited ability to freeze funds and investigate banking transactions. Additional concerns include: a lack of guidance for designated non-financial businesses and professions; underdeveloped procedures for individuals and groups who seek to be delisted from domestic sanctions; and inadequate regulations defining the rights of bona fide third parties in seizure and confiscation actions.

For further information on money laundering and financial crimes, see the *2017 International Narcotics Control Strategy Report (INCSR), Volume II, Money Laundering and Financial Crimes*: http://www.state.gov/j/inl/rls/nrcrpt/.

Countering Violent Extremism: China does not have an official strategy or program explicitly designed to counter violent extremism. China has stated, however, that policies that promote economic growth and increased official presence in rural communities would help address the drivers of terrorism in the XUAR. The government implemented a number of other programs aimed at "stability maintenance," many of which promote cultural assimilation in the XUAR and place restrictions on the practice of Islam. For further information, please see the Department of State's *2016 Report on International Religious Freedom*.

Regional and International Cooperation: China continues to promote the United Nations and the UN Security Council as the primary international fora for counterterrorism while continuing to engage in other multilateral bodies, including the Asia Pacific Economic Cooperation Counter-Terrorism Working Group and the Global Counterterrorism Forum. China also held bilateral counterterrorism dialogues with Egypt, India, Indonesia, Russia, the United Kingdom, and the United States. Additionally, Chinese Vice-Minister of Security Meng Hongwei was elected president of INTERPOL for a four-year term during the November 2016 INTERPOL General Assembly.

China remains engaged in counterterrorism efforts in Central Asia, conducting bilateral and multilateral joint exercises with regional neighbors and through frameworks, such as the Shanghai Cooperative Organization, comprising China, Kazakhstan, The Kyrgyz Republic, Russia, Tajikistan, and Uzbekistan. In July, the militaries of China and Russia held joint counterterrorism exercises in Moscow, according to Chinese official media. In October, China and Tajikistan held four days of counterterrorism exercises involving a mobile company of Chinese soldiers in Tajikistan. In September, China announced plans to assist in strengthening the Tajikistan-Afghanistan border to bolster counterterrorism efforts. In August, China held the inaugural meeting of the Quadrilateral Cooperation and Coordination Mechanism in Counterterrorism with Afghanistan, Pakistan, and Tajikistan.

Hong Kong

Hong Kong continued its effective security and law enforcement partnership with the United States through the Hong Kong Customs and Excise Department's successful joint

implementation of the Container Security Initiative, participation in U.S. government-sponsored training in port and border security, and engagement with U.S. counterterrorism agencies.

Counterterrorism remained an operational priority for the Hong Kong Police Force, as demonstrated by existing policies on prevention, protection, and preparedness. The Police Security Wing coordinates potential terrorist threat information with relevant counterterrorism units. The Police Counterterrorism Response Unit provides a strong deterrent presence, assisting police districts with counterterrorism strategy implementation, and complementing the tactical and professional support of existing police specialist units, such as the Explosive Ordnance Disposal Bureau, the Special Duties Unit, the Airport Security Unit, and the VIP Protection Unit.

Hong Kong is a member of the FATF and the Asia/Pacific Group on Money Laundering, a FATF-style regional body. Hong Kong's Joint Financial Intelligence Unit is a member of the Egmont Group of Financial Intelligence Units. Terrorist financing is a criminal offense in Hong Kong, and financial institutions are required to continuously search for terrorist financing networks and screen accounts using designations lists provided by the United States under relevant authorities, as well as the UN Security Council (UNSC) 1267/1989 ISIL (Da'esh) and al-Qa'ida and 1988 (Taliban) Sanctions Committees' lists. Hong Kong was in the process of making legislative amendments to its United Nations (Anti-Terrorism Measures) Ordinance (UNATMO) to adequately comply with UN Security Council resolution (UNSCR) 1373 and UNSCR 2178. Filing suspicious transactions reports irrespective of transaction amounts is obligatory, but Hong Kong does not require mandatory reporting requirements for cross-border currency movements.

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Hong Kong's strategic trade regime complements U.S. efforts to restrict commodities, software, and technology transfers to terrorist organizations or individuals. Hong Kong law enforcement officers attended U.S. government-sponsored capacity-building training at the International Law Enforcement Academy on advanced post-blast investigations, personnel and facility security, law enforcement techniques to counterterrorism, and financial investigations. Select Hong Kong police officers also attended Asia-Pacific Center for Security Studies courses and Department of Defense-sponsored conferences.

Macau

Macau's counterterrorism cooperation with the United States included information exchange, as well as capacity building through participation in U.S. government-sponsored training. The Police Intervention Tactical Unit (UTIP), which falls under the Macau Public Security Police Force, is responsible for protecting important installations and dignitaries, and for conducting high-risk missions, such as improvised explosive device deactivation. UTIP's Special Operations Group's mission is counterterrorism operations. Macau law enforcement officers have attended U.S. government-sponsored capacity-building training at the International Law

Enforcement Academy on personnel and facility security, financial and crime scene investigations, countering terrorism, computer investigations, and evidence protection.

Macau is a member of the Asia/Pacific Group on Money Laundering, a FATF-style regional body. Macau's Financial Intelligence Office is a member of the Egmont Group of Financial Intelligence Units. In response to FATF recommendations, the Macau government has introduced a bill on the cross-boundary transportation of large quantities of currency and bearer negotiable instruments to the Legislative Assembly (LA). In November, the Macau government introduced to the LA an amendments bill to existing anti-money laundering and countering the financing of terrorism laws.

Terrorist financing is a criminal offense in Macau, and banks and other financial institutions are required to continuously search for terrorist financing networks and screen accounts using designations lists provided by the United States under relevant authorities, as well as the UNSC 1267/1989 ISIL (Da'esh) and al-Qa'ida and 1988 (Taliban) Sanctions Committees' lists. Filing suspicious transactions reports irrespective of transaction amounts is obligatory, but Macau does not currently require mandatory reporting requirements for cross-border currency movements. Regarding the amendments to existing countering the financing of terrorism laws mentioned above, the Macau government has proposed widening the scope of identifiable criminal offenses, extending the definition of terrorist financing to include any type of economic resources, assets and property, and products or rights that can be converted into funds to finance terrorism. Macau's first asset-freezing law, which complies with the UNSCR on fighting terrorism and the proliferation of weapons of mass destruction, became effective on August 30, 2016.

For further information on money laundering and financial crimes, see the *2017 International Narcotics Control Strategy Report (INCSR), Volume II, Money Laundering and Financial Crimes*: http://www.state.gov/j/inl/rls/nrcrpt/index.htm.

Macau cooperated internationally on counterterrorism efforts through INTERPOL and other security-focused organizations.

INDONESIA

Overview: Indonesia uses a civilian law enforcement led, rule-of-law-based approach in its domestic counterterrorism operations. Since the Bali bombings in 2002, Indonesia has applied sustained pressure to degrade the capabilities of terrorists and their networks operating within Indonesia's borders. Several small-scale attacks or attempted attacks by pro-ISIS extremists occurred throughout 2016 in different parts of Indonesia. Police continued to detect and disrupt multiple plots and cells, including a plot to bomb the presidential palace in December that was linked to a prominent Indonesian terrorist fighting with ISIS, Bahrun Naim.

Indonesian violent extremists continued to use websites, social media, and private messaging to spread their radical ideology, raise funds, recruit, and communicate with new followers. Additionally, there was growing concern that Indonesian foreign terrorist fighters could return from Syria and Iraq with operational training, skills, and experience, and therefore conduct more

sophisticated attacks against Indonesian government personnel or facilities, western targets, and other soft targets.

As of December, amendments to strengthen Indonesia's 2003 counterterrorism law, which would strengthen provisions against foreign terrorist fighters by criminalizing extraterritorial fighting, preparatory acts, and material support for terrorism, had not passed the Indonesian legislature. Indonesia is not a member of the Global Coalition to Defeat ISIS, but the Indonesian government and Muslim civil society leaders have forcefully and repeatedly denounced the group. Official estimates on the number of Indonesian foreign terrorist fighters vary between agencies and services. At least 800 Indonesians departed for Iraq and Syria since the beginning of the conflict, including women and children. In August, officials said that 568 Indonesians remained in Iraq and Syria, 69 had died in the conflict zone, and 183 had returned to Indonesia. The number of returnees includes Indonesians who were deported by authorities in transit countries while traveling to the Middle East. Foreign terrorist fighters may also return undetected by exploiting vulnerabilities in the land and sea borders of this vast archipelagic nation.

A prominent Indonesian terrorist fighting with ISIS, Mubarak Salim (aka Abu Jandal Attamimi), was reportedly killed in Mosul, Iraq, in November, although police have yet to independently verify his death.

Indonesian officials describe the pro-ISIS Jemaah Ansharut Daulah (JAD) and its network as the most dangerous terrorist organization in Indonesia because of its international and regional connections. A joint police-military operation killed Abu Wardah (aka Santoso), the leader of the pro-ISIS Mujahidin Indonesia Timur, on July 18, and captured his deputy, Mohammad Basri (aka Bagong), on September 14. The operation continued to pursue less than 20 remaining members in the remote, mountainous area around Poso, Central Sulawesi.

2016 Terrorist Incidents: There were five small-scale attacks throughout Indonesia:

- On January 14, four men attacked a police post and a U.S.-franchise coffee shop with small arms and homemade bombs in central Jakarta. Three Indonesian citizens and a dual national Algerian-Canadian were killed and at least 23 others were injured. All four attackers were killed in the confrontation with police and multiple arrests were made following the incident. Incarcerated JAD leader Aman Abdurahman is believed to have planned the attack with assistance from incarcerated 2004 Australian Embassy bomber Iwan Darmawan (aka Rois) and Syria-based Indonesian ISIS fighter Abu Jandal.
- On July 5, Nur Rohman, a suicide bomber with links to JAD, attacked a police station in Solo, Central Java, killing himself and wounding a police officer. The attack took place on the last day of the Muslim holy month of Ramadan.
- On August 27, a 17-year-old attacked a Catholic priest with a knife, causing minor injuries, after failing to detonate a homemade bomb in a church in Medan, North Sumatra. Police arrested the attacker, who was radicalized online and sympathized with ISIS.
- On October 20, Sultan Azianzah attacked three policemen with a knife, injuring one severely, in Tangerang, West Java. Police shot and killed Azianzah, who was linked to JAD, during the attack.

- On November 13, former terrorist prisoner Johanda threw Molotov cocktails at the Oikumene Church in Sengkotek, Samarinda, East Kalimantan, severely injuring four children and damaging several motorcycles. One of the victims, a two-year-old girl, later died from severe burns sustained during the attack. Police arrested Johanda, who was part of a JAD cell.

Legislation, Law Enforcement, and Border Security: Indonesia follows a rule-of-law-based counterterrorism approach. After investigation by the police, terrorist suspects' dossiers are sent to the Task Force on Counterterrorism and Transnational Crimes, part of the Attorney General's Office, for prosecution. Relevant legislation includes the Law on Combating Criminal Acts of Terrorism (15/2003), the Law on Prevention and Eradication of Anti-Terrorist Financing (9/2013), the 1951 Emergency Law, and Indonesia's Criminal Code.

Counterterrorism efforts are police led, with Detachment 88 – the elite counterterrorism force of the police – leading operations and investigations. The president may authorize counterterrorism units from the Indonesian military to support domestic counterterrorism operations on an as-needed basis. Law enforcement units are increasingly able to detect, deter, and prevent most attacks before they are carried out. Law enforcement personnel participated in a range of U.S.-funded training and professional development activities, to build sustainable police capacity in both investigative and tactical skills. These programs were implemented by the Department of State's Antiterrorism Assistance program, the Federal Bureau of Investigation, the Department of Justice (DOJ) International Criminal Investigative Training and Assistance Program, and DOJ's Office of Overseas Prosecutorial Development Assistance and Training Program. Frequent personnel rotation at various agencies, including the police, legal cadres, and the judiciary, constrained the development of long-term institutional expertise.

Indonesia recognizes the threat posed by foreign terrorist fighters, but it has yet to pass laws explicitly criminalizing material support, travel to join foreign terrorist organizations, or commission of extraterritorial offenses related to terrorism. On February 15, the president submitted to the Indonesian legislature a draft amendment to Law 15/2003 to address these legal gaps. As of December, the amendment was being debated and had not passed the legislature.

Indonesian prosecutors stated that between January and November they prosecuted, or were in the process of prosecuting, 104 terrorism-related cases. Of those, 23 cases are related to ISIS activity, including eight related to the January 14 attack. In November, a key facilitator in the attack, Saiful Muhtorir (aka Abu Gar), was sentenced to nine years in prison. Two bomb-makers were sentenced to 10 years in prison, and a facilitator who helped to procure small arms was sentenced to four years in prison. In August, the Supreme Court rejected a judicial case review filed in 2015 by incarcerated terrorist ideologue and founder of Jamaah Ansharut Tauhid, Abu Bakar Ba'asyir.

As of early December, there were 241 terrorist prisoners in 71 correctional facilities throughout Indonesia. An estimated 150 terrorist suspects were held in police pre-trial detention facilities. Terrorists convicted on non-terrorism charges are not always counted or tracked through the justice system as convicted terrorists, creating a potential loophole in disengagement and de-radicalization efforts. There is a lack of effective risk assessment, classification, and

management of terrorist prisoners, although prison authorities recognized and worked to address this systemic challenge. In February, authorities isolated some convicted terrorist ideologues implicated in plotting attacks. Authorities remained concerned about the potential recidivism of released terrorist prisoners.

The National Counterterrorism Agency (BNPT) is responsible for coordinating terrorism-related intelligence and information among stakeholder agencies. BNPT is staffed by detailees from the Ministry of Foreign Affairs, the Indonesian military, and the Indonesian National Police. Immigration officials at major ports of entry, especially larger international air and seaports, have access to biographic and biometric domestic-only databases, but there was no centralized border screening system. Police maintained a watchlist of suspected terrorists, but there were not always clear lines of communication and coordination among stakeholder agencies. Indonesia shares information through INTERPOL and is developing systems to enhance border screening at major ports of entry using INTERPOL data. Military and police personnel are often posted at major ports of entry to ensure security.

Countering the Financing of Terrorism: Indonesia is a member of the Asia/Pacific Group on Money Laundering, a Financial Action Task Force (FATF)-style regional body. Indonesia's financial intelligence unit, the Indonesian Financial Transaction Reports and Analysis Center (PPATK), is a member of the Egmont Group of Financial Intelligence Units. Indonesia's Counterterrorist financing Law 9/2013 criminalizes money laundering and terrorist financing, and authorized terrorist asset freezing pursuant to UN Security Council resolution (UNSCR) 1373 and the UN Security Council (UNSC) ISIL (Da'esh) and al-Qa'ida sanctions regime and (Taliban) Sanctions Committees' lists. The implementation process requires Indonesia issue court orders of listed individuals and entities and subsequent freeze orders to be able to freeze the assets of UNSC ISIL (Da'esh) and al-Qa'ida-listed individuals and entities. Indonesia instituted and continued to improve upon an electronic process designed to ensure that the orders requiring multiagency action is issued without delay and identified assets are frozen immediately. It is unclear if Indonesia has been consistently implementing UNSCR 1267, which require all freezes to be subject to a yearly renewal by the authorities.

For the second consecutive year, Indonesia and Australia co-hosted the Counterterrorist Financing (CTF) Summit in Bali in August, attended by more than 200 specialists from more than 20 countries. Indonesia and Australia also co-led the publication of the first Regional Risk Assessment on Terrorist financing, which was released during the summit.

Non-profit organizations (NPOs) such as religious and charitable organizations are licensed and required to file suspicious transaction reports. PPATK conducted an NPO-sector risk assessment and proposed a presidential regulation to require monitoring and the regulation of NPOs to prevent terrorist finance exploitation. As of December, the president had not signed the new regulation. In accordance with FATF recommendations, Indonesia should take a risk-based approach to monitor the high-risk NPOs rather than imposing the same requirements on the entire NPO sector.

For further information on money laundering and financial crimes, see the *2017 International Narcotics Control Strategy Report (INCSR), Volume II, Money Laundering and Financial Crimes*: http://www.state.gov/j/inl/rls/nrcrpt/index.htm.

Countering Violent Extremism: The Indonesian government has not developed a national countering violent extremism (CVE) strategy. Government and civil society leaders promote the Indonesian practice of Islam as a peaceful and moderate alternative to violent extremist teachings. Established terrorist organizations remained the primary sources of radicalization in Indonesia. These groups have long called for the establishment of an Islamic state in Indonesia and tap into perceived injustices against Muslim communities in Indonesia and abroad. They exploit both cyberspace and weaknesses in Indonesia's overcrowded prison system to expand their influence and recruit new members.

The BNPT uses provincial-level Terrorism Prevention Coordination Forums comprising civic and religious leaders to develop and coordinate CVE-related programming within their communities. The BNPT also collaborated with student leaders to develop counter-narrative content, which was disseminated through official BNPT websites and social media accounts. A de-radicalization blueprint for terrorist prisoners issued by BNPT in late 2013 had not been fully implemented by the end of 2016. In coordination with the Directorate General of Corrections, the BNPT planned to open a de-radicalization center in Sentul, south of Jakarta, but it was not operational at the end of 2016. In addition to the BNPT, police trained their public relations officers on effective counter-messaging approaches.

A diverse array of non-governmental organizations and other civil society organizations was active in developing CVE programming; however, there was minimal coordination between these efforts and government programs. There were increased civil society efforts to develop credible counter-narrative content and small-scale programs to reintegrate former terrorist prisoners into society. In May, the world's largest Muslim civil society organization, Nahdlatul Ulama (NU), hosted an international summit of moderate Islamic leaders to discuss violent extremism. NU's CVE efforts included new overseas chapters, academic collaborations, a documentary film, and a nascent counter-messaging effort.

International and Regional Cooperation: Indonesia participated in counterterrorism efforts through several international, multilateral, and regional fora including the United Nations, the Global Counterterrorism Forum (GCTF), the Association of Southeast Asian Nations (ASEAN), and Asia Pacific Economic Cooperation (APEC). As a member of the GCTF, Indonesia co-chairs with Australia the Detention and Reintegration Working Group, and co-hosted the third plenary session of the working group in December in Batam. In August, Indonesia hosted an international ministerial meeting in Bali to discuss efforts to counter the cross-border movement of terrorists. Concurrently, Indonesia and Australia co-hosted the second Counter Terrorist Financing Summit and released a regional counterterrorist financing risk assessment. In November, Indonesia hosted the INTERPOL General Assembly in Bali.

Indonesia remained active in the ASEAN Regional Forum Inter-Sessional Meetings on Counter-Terrorism and Transnational Crime and the APEC Counter-Terrorism Working Group. Indonesia continued to use the Jakarta Center for Law Enforcement Cooperation (JCLEC) as a

regional resource in the fight against transnational crime with a focus on counterterrorism. The United States and other foreign partners routinely offered counterterrorism training courses at JCLEC. Since its inception in 2004 as a joint Australian and Indonesian initiative, JCLEC has trained more than 20,500 police officers from 71 countries.

DEMOCRATIC PEOPLE'S REPUBLIC OF KOREA

Overview: In October 2008, the United States rescinded the designation of the Democratic People's Republic of Korea (DPRK) as a state sponsor of terrorism in accordance with criteria set forth in U.S. law, including a certification that the DPRK had not provided any support for international terrorism during the preceding six-month period and the provision by the DPRK of assurances that it would not support acts of international terrorism in the future.

Four Japanese Red Army members who participated in a 1970 jet hijacking continued to live in the DPRK. The Japanese government continued to seek a full accounting of the fate of 12 Japanese nationals believed to have been abducted by DPRK state entities in the 1970s and 1980s. In May 2014, the DPRK agreed to reopen its investigation into the abductions, but as of the end of 2016, had not yet provided the results of this investigation to Japan.

Legislation, Law Enforcement, and Border Security: In May, the United States re-certified the DPRK as a country "not cooperating fully" with U.S. counterterrorism efforts pursuant to Section 40A of the Arms Export and Control Act, as amended. In making this annual determination, the Department of State reviewed the DPRK's overall level of cooperation with U.S. efforts to counterterrorism, taking into account U.S. counterterrorism objectives with the DPRK and a realistic assessment of DPRK capabilities.

Countering the Financing of Terrorism: In July 2014, the DPRK became an observer, but not a full member, of the Asia/Pacific Group on Money Laundering, a Financial Action Task Force (FATF)-style regional body. It has been subject to FATF countermeasures since 2011 on the continued concerns about DPRK's "failure to address the significant deficiencies in its [anti-money laundering/countering the financing of terrorism (AML/CFT)] regime and the serious threat this poses to the integrity of the international financial system." Nevertheless, the DPRK failed to demonstrate meaningful progress in strengthening its AML/CFT infrastructure. Similarly, in June 2016, the U.S. Department of the Treasury announced that the DPRK is a jurisdiction of "primary money laundering concern" and released special measures to further protect the U.S. financial system from abuse.

For further information on money laundering and financial crimes, see the *2017 International Narcotics Control Strategy Report (INCSR), Volume II, Money Laundering and Financial Crimes*: http://www.state.gov/j/inl/rls/nrcrpt/index.htm.

MALAYSIA

Overview: Malaysia's 2016 counterterrorism efforts focused on monitoring and arresting ISIS supporters, increasing border security capacity at airports and in the Sulu Sea, countering violent

extremist messaging on social media, and developing the capacity of its judiciary to effectively prosecute terrorism cases using a rule-of-law approach.

In June, Malaysia suffered its first ISIS-inspired attack, a grenade attack at a nightclub in Puchong, Selangor that injured eight people. The Royal Malaysian Police said that a number of other terrorist attacks were foiled by arresting individuals who were in the final stages of attack planning. There was an increase in kidnappings for ransom in Malaysian territorial waters off eastern Sabah. Many of these kidnappings were linked to the Abu Sayyaf Group (ASG).

Malaysia also uses it national security laws to arrest, jail, harass, and intimidate critics and political opposition. In November, police arrested a human rights activist under the Security Offenses (Special Measures) Act on the eve of a planned public demonstration and held her in solitary confinement for 10 days.

2016 Terrorist Incidents: On June 28, ISIS-affiliated attackers threw a hand grenade into a bar in Puchong, injuring seven Malaysians and one Chinese tourist. Two Malaysians were arrested and charged for the attack, and two additional Malaysians arrested in the following weeks were believed to be linked to the attack.

There were a number of kidnappings in Malaysian territorial waters near Eastern Sabah by gunmen with links to the ASG, although the kidnappings appeared to be more for financial gain than ideological reasons. The attackers used speedboats to approach and board the vessels and the victims were subsequently transported to the southern Philippines, where they were held for ransom.

Most of the kidnapping victims during the year were Indonesian and Malaysian fisherman. For example, on November 18, gunmen attacked a Malaysian-flagged fishing trawler in the Celebes Sea off the coast of Sabah. The gunmen abducted the captain and a crewmember and took an outboard engine and some of the crew's personal belongings before departing in an unmarked speedboat.

On November 6, gunmen in a speedboat attacked a private yacht, abducting a 70-year-old German man from his yacht and killing his wife, who reportedly tried to resist the attack. An ASG spokesman claimed the yacht was initially intercepted while cruising near Tanjong Luuk Pisuk, Sabah. Local residents subsequently found the yacht drifting near Laparan Island in the Philippines with the remains of the deceased German woman. The ASG later posted a video of the German man requesting assistance in raising ransom money.

On December 8, police killed three suspected kidnappers and captured two others during a shootout off the coast of Semporna after the suspected kidnappers reportedly mistook an unmarked police vessel for a fishing trawler that they could hijack. The kidnappers had already hijacked two other vessels that night, and one of the two kidnap victims, the captain of a fishing trawler, was rescued after the shootout. This was the first time Malaysian security forces engaged kidnappers in the area.

Legislation, Law Enforcement, and Border Security: In 2016, the Malaysian government employed both recently amended and new legislation to arrest and prosecute individuals with suspected links to terrorism, including the financing of terrorism. These laws, however, have also been used to stifle dissent critical of the alleged misappropriation of sovereign wealth fund money from 1MDB, Malaysia's government-owned investment fund. Malaysia's Attorney General's Chambers stated that at year's end they had prosecuted, or were in the process of prosecuting, 70 terrorism-related cases. Of those, they had secured 22 convictions, while five cases were ongoing at the High Court.

In August, the government passed the National Security Council Act, granting the prime minister expanded powers intended to counter terrorism. The new law gives the prime minister the authority to unilaterally enforce martial law by declaring security areas of concern where police have expanded search, seizure, and arrest powers. It has not been used or tested in courts.

The Royal Malaysian Police Special Branch Counterterrorism Unit has the lead counterterrorism law enforcement role. This unit proactively identifies terrorist threats on soft targets and reported during the year that it had foiled a number of attacks in the final planning stages, including a series of attacks on tourist sites and entertainment outlets that were allegedly planned to take place on August 31, Malaysia's Independence Day. Malaysian authorities continued to improve interagency cooperation and information sharing, including participation in regional meetings, Global Counterterrorism Forum (GCTF) events, and training conducted through Malaysia's Southeast Asia Regional Center for Counter-Terrorism, which is part of Malaysia's Ministry of Foreign Affairs.

The Malaysian government intensified its cooperation with Indonesia and the Philippines to respond effectively to kidnapping incidents in the Sulu and Celebes Seas.

The Royal Malaysian Police and Immigration Department took steps to provide immigration authorities with direct access to INTERPOL databases. Malaysia reports its stolen and lost travel documents regularly to INTERPOL. Malaysia has a no-fly list; passengers are compared to that list by the immigration officer at the port of entry and the decision to deny entry is made at the airport. Malaysia co-sponsored UN Security Council resolution (UNSCR) 2309 on aviation security, and took steps to improve intelligence and information sharing.

To support the implementation of UNSCR 2178 (2014) on foreign terrorist fighters, the government has criminalized travel to, through, or from Malaysia to engage in terrorism, and police have arrested individuals on arrival at the airport who were suspected of having traveled to Syria and Iraq to fight for terrorist groups.

In October, the government launched the National Special Operations Force to respond to terrorist threats, which was not operational at year's end. The new joint unit will reportedly include land, air, and maritime forces from the Malaysian Armed Forces, Royal Malaysian Police, and the Malaysian Maritime Enforcement Agency.

On September 23, Ardit Ferizi was sentenced in a U.S. District Court to 20 years' imprisonment for providing material support to ISIS. Ferizi, a Kosovo citizen living in Malaysia, hacked into a

U.S. company's database and illegally obtained customer information, including personally identifiable information (PII) of 1,300 U.S. military and other U.S. government personnel. Ferizi then provided the PII to an ISIS recruiter and attack planner and posted a tweet containing a document with the PII. Ferizi admitted that he provided the PII to ISIS with the understanding that ISIS would use the PII to "hit them hard." Malaysian authorities provisionally arrested Ferizi based on a U.S. request in October 2015 and extradited him in January 2016.

Countering the Financing of Terrorism: Malaysia became a full member of the Financial Action Task Force (FATF) in February 2016 and is a member of the Asia/Pacific Group on Money Laundering, a FATF-style regional body. Malaysia's financial intelligence unit, the Unit Perisikan Kewangan, Bank Negara Malaysia, is a member of the Egmont Group of Financial Intelligence Units. In September 2015, FATF published its Mutual Evaluation Report on Malaysia's anti-money laundering/countering the financing of terrorism (AML/CFT) measures. The report gave Malaysia positive ratings for its robust policy framework, strong political commitment, and well-functioning coordination structures for AML/CFT, although it underscored the need for Malaysia to improve its understanding of terrorist finance risk.

In 2014, Malaysia elevated the risk of terrorism and terrorist financing to high due to the threats posted by ISIS and foreign terrorist fighters. In particular, a small but growing number of "self-financed" terrorists have sought to raise funds through family, friends, and the internet to support their travel to fight with ISIS.

Between January and early October, the government pressed charges in a total of 12 terrorist finance cases and convicted two. One of the convictions included the brother of Syria-based Malaysian ISIS operative Muhammad Wanndy. Wanndy's brother, Mohamed Danny, was sentenced to four years' imprisonment for transferring approximately US $3,000 to Wanndy from Malaysia through his bank account.

Malaysia has implemented sanctions in accordance with relevant UNSCRs, including designating domestic and foreign entities pursuant to UNSCR 1373 obligations, and co-sponsoring designations and freezing assets of individuals and entities on the UN Security Council ISIL (Da'esh) and al-Qa'ida sanctions list. The 2014 amendments to the Anti-Money Laundering and Anti-Terrorist Financing Act provide for automatic translation of United Nations (UN) designations into designations under Malaysian law and direct reference to the lists maintained by the United Nations. Malaysia routinely distributed lists of terrorist designations and freezing obligations to financial institutions.

The use of informal remittances created vulnerability for abuse by terrorist financiers. Malaysia has continued to undertake strong regulatory and enforcement action against unauthorized money services businesses that operate in the informal economy. Strengthened controls, enforcement, and other supervisory measures have boosted the use of formal remittance channels, although risks from unauthorized money services businesses remain.

Malaysia requires Know Your Customer data for a wide range of entities and requires financial institutions to promptly report transactions suspected to involve proceeds of any unlawful activity via suspicious transaction reports (STRs). Non-profit organizations (NPOs) are required

to file annual financial reports to the Registrar of Societies (ROS), which may file STR reports. Law enforcement works with the ROS and other charity regulators to prevent misuse and terrorist financing in the NPO sector, especially those considered vulnerable by Malaysia. The ROS also conducts an annual conference for its members on the risks of terrorist financing.

For further information on money laundering and financial crimes, see the *2017 International Narcotics Control Strategy Report (INCSR), Volume II, Money Laundering and Financial Crimes*: http://www.state.gov/j/inl/rls/nrcrpt/index.htm

Countering Violent Extremism: The Malaysian government established a new counter-messaging center, supported research on radicalization, and officially launched an integrated rehabilitation module for terrorist detainees in 2016. The government had not initiated steps by year's end to develop or implement a national countering violent extremism strategy in line with the UN Secretary-General's Preventing Violent Extremism (PVE) Plan of Action.

The Malaysian government published a study in 2016 that identified a diverse set of suspected drivers of violent extremism in Malaysia, including a poor understanding of Islam, a lack of critical thinking skills, sympathy for the plight of Syrian Sunnis under Bashar al-Assad, and the possibility of adventure. The study also cited a lack of willingness by the government to "comment on anything with regards to Islam for fear of treading on sensitivities associated with religion" as a factor that cedes the narrative to ISIS.

Non-government observers have identified other possible local drivers of radicalization, including government-sanctioned religious intolerance, the stifling of political dissent and civil society, the politicization of Islam, and deepening divisions between Malay Muslims and other non-Muslim Malaysian citizens.

There is recognition by government and non-government observers alike that pro-ISIS Malaysians, especially those who have traveled to Syria, have had a powerful effect in accelerating radicalization to violence via their extensive social media presence.

International and Regional Cooperation: Malaysia supports the efforts of international and regional organizations involved in countering terrorism, to include the United Nations, the GCTF, the Association of Southeast Asian Nations (ASEAN), the ASEAN Regional Forum, the Asia Pacific Economic Cooperation, and the East Asia Summit. In January, Malaysia hosted the International Conference on Deradicalization and Countering Violent Extremism for ASEAN member states and strategic partners. The Southeast Asia Regional Centre for Counter Terrorism hosted a number of multilateral events during the year, including ones on preventing the flow of foreign terrorist fighters, countering ISIS narratives, and the radicalization of undergraduate students.

PHILIPPINES

Overview: The Philippines continued to make progress against terrorism in 2016, a period that included the orderly transfer of power through a fair and free election. The emergence of ISIS-affiliated extremist groups, persistent kidnappings by the Abu Sayyaf Group (ASG), attacks

on government forces, and bombings, all indicated that domestic and international terrorism remained a serious problem. Terrorist acts included criminal activities designed to generate revenue, such as kidnapping for ransom, extortion, and bombings for hire. Philippine military and police counterterrorism efforts kept up pressure on terrorist organizations, but were unable to prevent numerous attacks against government, public, and private facilities, primarily in central and western Mindanao. Terrorist groups retained the ability and intent to conduct bombings, shootings, and ambushes against targets of their choice, as seen in a November 28 incident in which a bomb was discovered and disarmed near the U.S. Embassy in Manila.

President Duterte's focus on anti-narcotics and counterterrorism operations slowed progress towards shifting internal security functions from the Armed Forces of the Philippines (AFP) to the Philippine National Police (PNP). The PNP is responsible for ensuring peace and security throughout the country, including arresting terrorists and conducting terrorism investigations. The AFP, including special operation units, often supplants the PNP as the primary force tasked with counterterrorism operations, and coordination between the two services is improving, but remained a challenge in 2016.

The Philippine government's Comprehensive Agreement on the Bangsamoro with the Moro Islamic Liberation Front, if implemented, would have created a new Bangsamoro autonomous government in Mindanao. The agreement was not acted on by Congress before the end of the Aquino administration in June 2016. President Duterte has pursued a strategy focused on establishing regional autonomy through a constitutional shift to a federalist model and pursuing parallel peace negotiations with the Moro National Liberation Front, and the Communist Party of the Philippines/New People's Army (CPP/NPA). The government's goal is to reduce radicalization and the attraction of terrorist groups by providing greater political and economic autonomy for Muslim-majority areas of Mindanao. In August, the government and the CPP/NPA each declared unilateral cease-fires as negotiations continued.

The Philippine government recognized the threat posed by radicalized Philippine citizens supporting ISIS and ISIS supporters traveling to the Philippines to promote violent extremism in the country or seek safe haven. Members of numerous groups – including parts of the ASG; the Dawlah Islamiyah Lanao (DIL), commonly referred to as the Maute Group; and Ansar-al Khalifah Philippines – have pledged allegiance to ISIS. ISIS called on its supporters in Southeast Asia to join these groups and attack targets in the Philippines, and named former ASG leader Isnilon Hapilon as its regional leader.

2016 Terrorist Incidents: There were dozens of small arms and improvised explosive device attacks, kidnappings for ransom, and extortion efforts. Notable incidents included:

- ASG fighters on Sulu beheaded two Canadian hostages, one in April and one in June, when their ransoms were not paid. The two men had been held captive since September 2015.
- In July, seven government troops were killed in clashes with CPP/NPA guerillas in eastern Mindanao.
- In August, 50 fighters associated with the DIL attacked a jail in Marawi, freeing eight detained members.

- On September 2, a Davao city night market was bombed, killing 15 people and wounding more than 40 people. The government arrested several suspects affiliated with the Bangsamoro Islamic Freedom Fighters and DIL for the bombing.
- On November 24, DIL fighters temporarily seized the town center of Butig, a city of 16,000 in Mindanao, resulting in six days of fighting that left dozens of DIL fighters dead.

Legislation, Law Enforcement, and Border Security: The 2007 Human Security Act (HSA) is the Philippines' key counterterrorism legislation. The HSA defines terrorism and provides for law enforcement investigation of terrorist suspects. Use of the law has been limited by strict procedural requirements in the HSA, including requirements to notify subjects of electronic surveillance and monetary damages for every day of detention if an individual is acquitted. No convictions under the HSA were reported during 2016, and no groups were designated as terrorist organizations in 2016. Efforts to amend the HSA to better conform to international standards was renewed following election-related delays. The National Bureau of Investigation (NBI) Reorganization and Modernization Act was enacted into law to meet the increasing demands of an expanded investigative and detective workload. The Cyber Prevention Act of 2012 and National Defense Act are among the priority pieces of legislation under the current administration.

Units with a specialized counterterrorism focus, including the NBI, the PNP Special Action Force (PNP-SAF), and the Bureau of Immigration have enhanced investigative, crisis response, and border security capacity. Multiple agencies have jurisdiction over counterterrorism efforts, leading to inefficient investigations and response to terrorist incidents. Responsibilities between law enforcement and military units involved in counterterrorism missions are often not clear, information sharing is moderate, and command and control arrangements often depend on personal relationships between incident commanders. The focus on counternarcotics has increased workload and operational tempo for security forces. Specialized law enforcement units possess some necessary equipment, but numerous unfulfilled needs remain, and sustainment and maintenance of equipment often exceeds fiscal and human resources. Law enforcement units have a mixed record of accountability and respect for human rights. The president's Anti-Terrorism Council (ATC) provides guidance to agencies responsible for enforcing terrorism laws, but its capacity to enforce coordination between agencies is limited. The ATC supported projects under the Chemical, Biological, Radiological, and Nuclear Center of Excellence in coordination with the UN Interregional Crime Justice and Research Institute (UNICRI).

The United States continued to work with the Philippine government to monitor and investigate groups engaged in or supporting terrorist activities in the Philippines. The Joint U.S. Military Assistance Group and the Pacific Augmentation Team provided equipment, training, and support to the government as it launched numerous operations, particularly in the Southern Philippines, to arrest and disrupt terrorist organizations. The Department of State's Antiterrorism Assistance (ATA) program provided critical counterterrorism training and equipment to the PNP-SAF, Anti-Kidnapping Group, Anti-Cybercrime Group, and EOD/K9 teams.

Philippine agencies actively coordinated with U.S. authorities, especially regarding suspected terrorists. The under-resourced law enforcement and judicial system, coupled with widespread official corruption, continued to limit domestic investigations and resulted in a small number of prosecutions and lengthy trials of terrorism cases. Philippine investigators and prosecutors lacked necessary tools to build strong cases, including a lack of clear processes for requesting judicially authorized interceptions of terrorist communications, entering into plea bargains with key witnesses, and seizing assets of those suspected of benefiting from terrorism.

The Office of Civil Defense and National Disaster Risk Reduction Management Council trained agencies responding to human-induced crisis, including terrorism.

The Philippines issues "e-passports," which constitute more than 65 percent of all valid passports in circulation. At Manila's main international airport, the Philippines participated in the INTERPOL Border Management Program and continued using its *i24/7* global police communications system to verify traveler data. The Bureau of Immigration installed the Mobile INTERPOL Network Database and Fixed INTERPOL Network Database systems in major airports and seaports.

DHS' Transportation Security Administration's aviation security technical assistance continued on multiple fronts, including delivery of an air cargo supply chain security course, joint security assessments with Philippine counterparts, and a partnership with the Department of State's ATA program to deliver Airport Security Management courses to Philippine agencies. The Philippine government made some advancement in the procurement of body imaging technology and explosive trace detection units for use at Manila Ninoy Aquino International Airport. The Philippines does not require advanced passenger information, but was developing regulations to require it prior to arrival and departure.

Global Security Contingency Fund training to build investigative and maritime skills in the PNP and Philippine Coast Guard continued in 2016, enhancing the ability of the Navy, PNP, and the Coast Guard to integrate operations on the border.

The U.S. Coast Guard's International Port Security Program has actively engaged in the Philippines to assist with and assess the country's implementation of counterterrorism measures at international port facilities. The U.S. Coast Guard continued to work with the Philippines on additional capacity-building efforts.

Countering the Financing of Terrorism: The Philippines is a member of the Asia/Pacific Group on Money Laundering, a Financial Action Task Force-style regional body, and its financial intelligence unit – the Anti-Money Laundering Council (AMLC) – is a member of the Egmont Group of Financial Intelligence Units. In 2016, the Philippines published the first interagency *National Risk Assessment on Money Laundering and Terrorist Financing (2011-2014)*.

The Anti-Terrorism Council, the AMLC, the National Police's Directorate of Intelligence, Anti-Kidnapping Group, the National Bureau of Investigations, the Philippine Center on Transnational Crime (PCTC), and the Special Action Force, worked with U.S. agencies through

the Joint Terrorist Financing Investigation Group to pursue investigations into suspected terrorist finance cases in 2016.

As indicated in the 2016 Regional Risk Assessment conducted by Australia's financial intelligence unit, criminal activity provides a key source of funding for terrorist individuals and organizations in the Philippines. Furthermore, illicit funds are often smuggled across porous land and maritime borders both within the Philippines and between countries in the region. The country is also addressing ongoing gaps regarding customer due diligence according to international standards.

The Philippines has implemented the UN Security Council ISIL (Da'esh) and al-Qa'ida sanctions regime and Taliban (1988) sanctions.

For further information on money laundering and financial crimes, see the *2017 International Narcotics Control Strategy Report (INCSR), Volume 2, Money Laundering and Financial Crimes*: http://www.state.gov/j/inl/rls/nrcrpt/index.htm.

Countering Violent Extremism: The Philippines worked with the Global Counterterrorism Forum (GCTF) to apply the Rome Memorandum on Good Practices for Rehabilitation and Reintegration of Violent Extremist Offenders. Government organizations, including the ATC, the Law Enforcement and Security Integration Office, and the PCTC, led collaboration on countering violent extremism, counter-radicalization and de-radicalization. In April, the ATC facilitated a national consultation on countering violent extremism (CVE), producing a set of recommendations to formulate a National Action Plan to Prevent and Counter Violent Extremism. The Duterte administration has not released the National Action Plan, but cooperated with international partners and organizations to refine and improve CVE strategies.

The Philippine government worked with the U.S. Pacific Command's Military Information Support Team, through the Combined Special Outreach Group, a joint AFP-PNP effort to share best practices and combine strategies for public messaging on peace and order and CVE outreach. The International Centre for Counter-Terrorism – The Hague, trained Philippine experts on rehabilitation and reintegration of violent extremist offenders.

In July, the Philippine government hosted the Workshop on Developing Effective Intake, Risk Assessment, and Monitoring Tools and Strategies for Incarcerated Terrorist Offenders, sponsored by the GCTF Detention and Reintegration Working Group. In September, the Bureau of Jail Management and Penology's Operational Guidelines on Inmate Classification and Counseling Unit Manual were approved.

Regional and International Cooperation: Philippine officials were involved as project implementers, participants, or subject matter experts in trainings, workshops, dialogues, and working group meetings with the Association of Southeast Asian Nations (ASEAN) Regional Forum, Asia Pacific Economic Cooperation, INTERPOL, ASEANAPOL (the ASEAN National Police), the UN Office of Drugs and Crime, the UN Interregional Crime and Justice Research Institute, and the GCTF. Government agencies benefited from capacity building activities provided by the ASEAN-Japan counterterrorism dialogue and the European Union. The

Philippines signed a framework on trilateral cooperation with Malaysia and Indonesia on immediate measures to address security in the maritime border region.

SINGAPORE

Overview: Singapore identified counterterrorism as a top policy priority and has developed a comprehensive counterterrorism strategy based on global and regional trends. This strategy includes vigilant security measures, regional and international law enforcement cooperation, counter-radicalization efforts, and efforts to prepare the populace for eventual attacks. As such, Singapore was a committed, active, and effective counterterrorism partner in 2016.

Counterterrorism remains a pillar of the non-defense security relationship between Singaporean and U.S. law enforcement and security services, and 2016 was marked by unprecedented levels of cooperation on counterterrorism efforts and expanded information sharing. Singapore's domestic counterterrorism apparatus and its ability to detect, deter, and disrupt threats remained effective, as shown by the successful detention of several Bangladeshi foreign workers associated with terrorist activities and Singapore's first-ever convictions for terrorist financing. Singapore has been a member of the Global Coalition to Defeat ISIS since 2014 and, in 2016, expanded its support beyond military assets to also include medical teams in Iraq.

Legislation, Law Enforcement, and Border Security: Singapore uses its Internal Security Act (ISA) to arrest and detain suspected terrorists. The ISA authorizes the Minister for Home Affairs (MHA), with the consent of the president, to order arrest and detention without warrant if it is determined that a person poses a threat to national security. The initial detention may be for up to two years, and the MHA may renew the detention for an unlimited period (in increments of up to two years at a time), with the president's consent. ISA cases are subject to review by the courts to ensure strict compliance with procedural requirements under the act.

Singapore's existing legal framework, in conjunction with the ISA, provides the government the necessary tools to support the investigation and prosecution of terrorism offenses. Law enforcement agencies displayed coordination, command, and control in responding to threat information affecting Singapore's security.

The Government of Singapore has a "not if, but when" stance regarding the likelihood of terrorist attacks within the city-state. In 2016, authorities launched the "SGSecure" public awareness campaign to improve emergency preparedness, promote security awareness, and build national resiliency. In October, Singapore police led the country's largest-ever counterterrorism exercise. This 18-hour multi-agency exercise simulated attacks on civilian targets and, for the first time, incorporated the Singapore Armed Forces.

In January, Singapore police deported 27 Bangladeshi foreign workers suspected of plotting terrorist attacks in Bangladesh. In June and August, authorities sentenced six Bangladeshi foreign workers on terrorist financing charges, the first such convictions. Singapore also cooperated with Indonesian authorities in the investigation of plans by terrorist groups to launch rocket attacks into Singapore from Batam, Indonesia.

In 2014, Singapore improved its border security regime through the creation of a new Integrated Checkpoints Command (ICC) as a pilot program. The ICC complements the Joint Operations Command established in 1998 and the Immigration and Checkpoints Authority, which in 2003 merged the Singapore Immigration and Registration Department with the checkpoint functions of the Customs and Excise Department. The creation of the ICC aimed to strengthen interagency coordination; improve air, land, and sea domain awareness; and improve border security command and control to collectively counter traditional and unconventional threats. The ICC is now out of the pilot phase and is a permanent feature of Singapore's border command structure.

To better detect possible terrorist movements via air into or transiting through Singapore, ICA is piloting the use of advanced passenger screening via the Advanced Passenger Information system and the Passenger Name Record system.

Countering the Financing of Terrorism: Singapore is a member of the Financial Action Task Force (FATF) and the Asia/Pacific Group on Money Laundering (APG), a FATF-style regional body. Singapore's Suspicious Transaction Reporting Office is a member of the Egmont Group of Financial Intelligence Units. In September, the FATF and APG published their joint Mutual Evaluation Report of Singapore. The report noted that Singapore has a strong legislative and financial regulatory framework to counter terrorist financing. As an international financial center, the government of Singapore should continue to enhance its understanding of terrorist financing risks. The report also recommended increased coordination between the Internal Security Department and Commercial Affairs Department to ensure that potential terrorist financing activities are comprehensively investigated. While the FATF/APG report noted that Singapore had no terrorist finance criminal prosecutions at the time of the onsite visit, Singapore has since convicted six Bangladeshi individuals for terrorist financing. The report found that Singapore has an effective regime for implementing targeted financial sanctions against terrorists and froze approximately US $2 million in terrorism-related assets between 2008 and 2014, which is in line with its terrorist finance risk profile. The report recommended that Singapore improve supervision of its non-profit organization (NPO) sector, such as conducting a comprehensive sector review to better understand the types of organizations within the sector that are vulnerable to abuse, implement a risk-based approach to supervision, and continue outreach to NPOs to raise awareness of specific abuse risks.

Singapore strengthened counterterrorism investigative finance and asset recovery regime and procedures in 2016. The Attorney General's Chambers developed and published a step-by-step guide for states requesting assistance from Singapore in recovering illicit proceeds and assets.

For further information on money laundering and financial crimes, see the *2017 International Narcotics Control Strategy Report (INCSR), Volume 2, Money Laundering and Financial Crimes*: http://www.state.gov/j/inl/rls/nrcrpt/index.htm.

Countering Violent Extremism: Through entities such as the International Centre for Political Violence and Terrorism Research (ICPVTR) and the Religious Rehabilitation Group (RRG), Singapore serves as a regional countering violent extremism (CVE) hub. The ICPVTR conducts research, training, and outreach programs aimed at understanding the causes of radicalization and formulating practical rehabilitation programs. The government also encourages inter-religious

and inter-ethnic dialogue through Interracial and Religious Confidence Circles, local community forums that bring leaders from Singapore's religious and ethnic communities together to discuss issues of concern and build trust.

The government believes in building regional CVE capacity, and it has highlighted opportunities for constructive engagement for those concerned with the conflict in Syria and Iraq, such as promoting legitimate charities working to ease suffering in conflict zones. The Islamic Religious Council of Singapore, the Islamic authority in charge of Muslim affairs, maintains a Facebook presence and holds outreach and educational events to counter terrorist propaganda and recruitment efforts.

Singapore's RRG, a volunteer organization, has had success in counseling detainees held under the Internal Security Act. The comprehensive program includes religious and psychological counseling and involves the detainee's family and community. In 2016, the RRG launched a smart phone app designed to counter violent extremist voices by providing users with opportunities to ask questions and have conversations with RRG imams and counselors.

International and Regional Cooperation: Singapore is an active participant in counterterrorism cooperation efforts in the Association of Southeast Asian Nations (ASEAN), the ASEAN Regional Forum, and the Asia Pacific Economic Cooperation. In 2016, Singapore and the United States extended the 2006 counterterrorism science and technology memorandum of understanding.

THAILAND

Overview: Thailand remained a productive counterterrorism partner, even as the government continued to focus on domestic political challenges as its primary security priority. The high volume of travel through Bangkok's main airport (a regional hub), an available market of illegal goods, and relatively weak oversight of banking make Thailand an attractive facilitation hub for illicit activity. Thai security officials expressed moderate concern about the threat to Thailand from ISIS amidst continued reports of foreign terrorist fighters from neighboring Southeast Asian nations traveling to the Middle East and the continued spread of ISIS-related content on social media. In November, Thai authorities publicly acknowledged they were investigating Thais who have expressed support for Southeast Asian ISIS-affiliated groups and ISIS propaganda via social media. Security authorities emphasized there was no confirmed evidence of Thai citizens joining ISIS, and denied any evidence of operational linkages between ethno-nationalist Malay Muslim insurgent groups in southern Thailand and international terrorist networks. The Thai Ministry of Foreign Affairs has publicly condemned ISIS violence.

2016 Terrorist Incidents: Insurgents carried out hundreds of attacks primarily in the southern region of Thailand. Methods included shootings, arson, and the use of improvised explosive devices (IEDs) and vehicle-born improvised explosive devices (VBIED). On August 11 and 12, a series of 11 near-simultaneous bombings and arson attacks struck seven provinces in Thailand's upper south, including the popular tourist destinations of Hua Hin and Phuket. The attacks, which killed four people and injured at least 37 people, were carried out with small IEDs triggered by cell phones. Thai police arrested one suspect in relation to the bombing, charging

him with arson and possession of explosives. Police also issued arrest warrants for five other suspects who remained at-large. All of the suspects are from the restive southernmost provinces of Thailand where an ethno-nationalist separatist insurgency has been ongoing since 2004. Since the conflict began, insurgents have largely confined their attacks to the southernmost provinces of Narathiwat, Pattani, Yala, and parts of Songkhla. In October, Thai authorities in Bangkok arrested five suspects from the same region and claimed the arrests foiled an insurgent bomb plot targeting tourist sites in the capital.

Legislation, Law Enforcement, and Border Security: Thailand incorporated terrorism offenses into its penal code in 2003, but most terrorism prosecutions fail to prove the necessary element of specific intent and therefore result in deportation or a conviction on less serious criminal offenses. In some cases, terrorism suspects are not charged with terrorism offenses due to political sensitivities.

Thailand's law enforcement units demonstrated some capacity to detect, deter, and respond to terrorist incidents. Multiple entities – including the Royal Thai Police, Department of Special Investigations, and elements of the Thai military – have law enforcement responsibilities on counterterrorism cases. Interagency cooperation and coordination are sporadic, information sharing is limited, and the delineation of duties between law enforcement and military units with counterterrorism responsibilities was unclear. Annual reshuffles of senior ranks of government and security officials hampered continuity in leadership.

Law enforcement officials with counterterrorism responsibilities received U.S. training through the Bangkok-based joint U.S.-Thai International Law Enforcement Academy (ILEA) and Department of State-funded training programs. Additionally, Department of State Antiterrorism Assistance training programs were designed to enhance Royal Thai Police capacity to improve border security.

Land borders are relatively porous. Thailand continued to use a less reliable locally developed program to screen travelers at major points of entry. Thai immigration systems at border crossings lack real-time connectivity with INTERPOL databases on foreign terrorist fighters and stolen and lost travel documents. All passengers originating in Thailand traveling to or overflying the United States will continue to be vetted through the Secure Flight Program. Beginning in 2016, Thailand began to collect and analyze advanced passenger information and passenger name records on commercial flights. The market in fraudulent documents remained active despite government efforts to crack down on criminal counterfeit networks. Information sharing within the host government and with neighboring countries appears limited.

Countering the Financing of Terrorism: Thailand belongs to the Asia/Pacific Group on Money Laundering (APG), a Financial Action Task Force (FATF)-regional style body. Its financial intelligence unit, the Anti-Money Laundering Office (AMLO), is a member of the Egmont Group of Financial Intelligence Units. Thailand's Counterterrorist Financing (CFT) Act, together with subordinate laws, came into effect in early 2013. The AMLO revised the CFT Act in 2015, amending its rules and procedures for notifications of designations in accordance with the UN Security Council ISIL (Da'esh) and al-Qa'ida sanctions regime.

In cases where the Bank of Thailand has discovered unauthorized remittances, the bank has coordinated with the Royal Thai Police to arrest the perpetrators. In 2016, AMLO froze the assets of eight designated persons under the Thai CFT Act.

For further information on money laundering and financial crimes, see the *2017 International Narcotics Control Strategy Report (INCSR), Volume II, Money Laundering and Financial Crimes*: http://www.state.gov/j/inl/rls/nrcrpt/index.htm.

Countering Violent Extremism: In 2016, Thailand lacked a Countering Violent Extremism (CVE) National Action Plan, as recommended by the United Nations (UN) Secretary-General's Preventing Violent Extremism Plan of Action, although the draft national counterterrorism strategy includes a focus on CVE. The government's Internal Security Operations Command continued to organize outreach programs to ethnic Malay-Muslims in southern Thailand to counter radicalization and violent extremism. The government also works with Muslim leaders to promote the teaching of moderate Islam, and improve interfaith dialogue between Muslims and Buddhists. Non-governmental organizations continued to reach out to communities in the southern provinces to provide services, identify the underlying causes of the area's violence, and provide outlets for peaceful political expression.

Thailand's Ministry of Justice in 2016 began a pilot project with the UN Interregional Crime and Justice Research Institute to evaluate more than 300 prisoners with ties to the insurgency in the southernmost provinces. The evaluation's goal is to identify ways for prison officials to limit the potential for radicalization of other prisoners and to help detainees who are pending release to reintegrate into society.

Regional and International Cooperation: Thailand participated in international counterterrorism efforts, including through Asia Pacific Economic Cooperation, the Association of Southeast Asian Nations (ASEAN), and the ASEAN Regional Forum. Although Thailand is not a member of the Global Counterterrorism Forum, it participated in its Foreign Terrorist Fighter Working Group.

EUROPE

Overview: Europe endured terrorist threats from a variety of sources in 2016, including foreign terrorist organizations operating out of Iraq and Syria, such as ISIS and al-Nusrah Front (al-Qa'ida's affiliate in Syria), and from European foreign terrorist fighters who had returned to Europe to conduct attacks. In the face of increased military pressure in 2016, ISIS pursued mass-casualty terrorist attacks against European symbolic targets and public spaces. Various European Union (EU) member states reported a marked increase in the rate of returning foreign terrorist fighters from Syria and Iraq. Indeed, approximately 30 percent of foreign terrorist fighters from EU member states are believed to have returned, although the overall number of departed foreign terrorist fighters originating from Western European and Balkan countries declined significantly in 2016 from the previous year. Concurrently, violent extremist groups espousing left-wing and nationalist ideologies, such as the Turkey-based Revolutionary People's Liberation Party/Front (DHKP/C) and the Kurdistan Workers' Party (PKK), respectively, continued to operate within Europe.

By virtue of its location, the presence of international transport hubs on its territory, and its long border with Syria and Iraq, Turkey remained an important transit route for foreign terrorist fighters entering and departing the conflict areas. Turkey continued to deepen its cooperation with foreign terrorist fighter source countries to counter the threat, and expanded its "Banned from Entry List" to prevent travel into Turkey by nefarious actors. Risk Analysis Units continued to operate at major ports of entry and internal transit points to interdict potential foreign terrorist fighters. To maintain tighter physical control of its border with Syria, Turkey constructed 270 kilometers of concrete wall along the 911-kilometer Turkey-Syria border.

European countries contributed immensely to worldwide counterterrorism efforts in 2016. Thirty-nine European countries, the EU, and Lyon-based INTERPOL collaborated within the force-multiplying framework of the Global Coalition to Defeat ISIS. Thanks to such effort, the Coalition, which already had liberated Fallujah, Ramadi, and Tikrit, launched the military campaign to liberate Mosul and Raqqah. Correspondingly, European officials, along with civil society members, participated in counterterrorism and CVE policies and programs within multilateral and regional fora, such as the United Nations, the Global Counterterrorism Forum, the Organization for Security and Cooperation in Europe, and the Council of Europe.

The 2015 attacks in Paris and elsewhere galvanized the EU to increase traveler information sharing and agree to an EU Passenger Name Record (PNR) system. The EU Parliament and Council presidents on April 27, 2016 signed the Directive regulating the use of EU Passenger Name Record for the prevention, detection, investigation, and prosecution of terrorist offenses and serious crimes. EU member states will have until May 2018 to fully apply the Directive package. Also in April, the European Commission issued a Communication on "Stronger and Smarter Information Systems for Borders and Security," and the EU Justice and Home Affairs Council endorsed in June a "Roadmap to Enhance Information Exchange and Information Management Including Interoperability Solutions in the Justice and Home Affairs Area." The Commission's Communication provides a thorough review of existing European information systems and recommendations to improve them, while the Roadmap provides a comprehensive

plan that identifies short, medium, and long-term actions required of member states to improve the cross-border exchange of information. In July, the European Commission presented a comprehensive set of regulatory amendments, known as the Fourth Anti-Money Laundering Directive to help counter money laundering and the financing of terrorism, which are due for ratification in mid-2017.

ALBANIA

Overview: Albania was a strong supporter of counterterrorism efforts in 2016 and continued its participation in the Global Coalition to Defeat ISIS, making significant donations of weapons and ammunition.

On November 4 and 5, a well-coordinated regional counterterrorism operation led to the arrests of four individuals in Albania. The operation disrupted a potential attack on the Albania-Israel World Cup qualifying soccer match, scheduled to take place in Shkoder on November 12. The individuals were charged with supporting ISIS financially and logistically, recruiting people on behalf of ISIS, and promoting hate speech.

Legislation, Law Enforcement, and Border Security: Albania criminalizes terrorist acts; financing of terrorism; collection, transfer and concealment of funds that finance terrorism; conducting transactions with persons on the United Nations (UN) sanctions lists; recruiting and training people to commit terrorist acts; incitement of terrorist acts; and establishing, leading, and participating in terrorist organizations. In 2016, nine defendants were found guilty of charges related to these statutes and sentenced to seven to 18 years in prison. An appeals court in November decreased the sentences for five of the defendants, and prison terms now range from four-and-a-half to 18 years.

Albanian law enforcement has increased efforts to counter potential terrorist threats. The recently expanded Albanian State Police Anti-Terrorism Unit (ATU) has worked closely with the U.S. Department of Justice's (DOJ's) International Criminal Investigative Training Assistance Program (ICITAP) to identify requirements for equipment and training. As a result, the ATU has developed its own plans and programs for improving equipment, training, and development, and is currently renovating a new ATU facility. Through the Department of State Anti-Terrorism Assistance Program, the ATU participated in training on interviewing terrorism suspects. Despite the scarcity of resources, the ATU also participated in several successful interdictions of known or suspected terrorists.

In cooperation with the European Union and with funding from the Department of State, ICITAP provided equipment and training to the Albanian government to build capacity to collect fingerprint data at all border crossing points. The information can be checked against a national database for wanted individuals in real time. This initiative has improved Albania's ability to collect biometric data on selected individuals at border crossings.

DOJ's Office of Overseas Prosecutorial Development Assistance and Training Program (OPDAT), funded by the Department of State, continued to provide mentorship, assistance, and training to prosecutors, law enforcement officials, financial investigators, intelligence analysts,

and judges from Albania, Bosnia, Kosovo, Macedonia, and Serbia, who work on foreign terrorist fighter and terrorism-related cases through its Balkan Regional Counterterrorism program located in Tirana.

Corruption combined with a poorly functioning judicial system continued to hinder Albania's law enforcement efforts at all levels.

Countering the Financing of Terrorism: Albania is a member of the Council of Europe's Committee of Experts on the Evaluation of Anti-Money Laundering Measures and the Financing of Terrorism (MONEYVAL), a Financial Action Task Force (FATF)-style regional body. The General Directorate for the Prevention on Money Laundering, Albania's financial intelligence unit, is a member of the Egmont Group of Financial Intelligence Units.

Since June 2012, Albania has been working with the FATF and MONEYVAL to address identified weaknesses in its anti-money laundering/countering the financing of terrorism (AML/CFT) regime. As a result, Albania has made major improvements to its legal framework for identifying, tracing, and freezing terrorist assets; enhanced international co-operation; extended customer due diligence; and required the filing of suspicious transaction reports and currency transaction reports.

For further information on money laundering and financial crimes, see the *2017 International Narcotics Control Strategy Report (INCSR), Volume II, Money Laundering and Financial Crimes*: http://www.state.gov/j/inl/rls/nrcrpt/index.htm.

Countering Violent Extremism: In 2015, the Government of Albania drafted and adopted a national strategy to counter violent extremism. In 2016, the Government of Albania appointed a National Coordinator for Countering Violent Extremism, who is charged with overseeing the implementation of the national strategy. The Government of Albania co-hosted a regional table top exercise in September 2016 with the Partnership for Peace Consortium Counter Terrorism Working Group and Organization for Security and Cooperation in Europe (OSCE). The event brought together regional partners for two days of workshops and collaboration on addressing radicalization to violence and foreign terrorist fighter recruitment. The Government of Albania co-hosted an event in New York, "Countering Violent Extremism through Education," to promote the role that education has in fostering tolerance and inclusion among youth. The Government of Albania developed a pilot program to train teachers to implement a curriculum on religious tolerance in schools.

International and Regional Cooperation: Albania is a member of the UN, the OSCE, the North Atlantic Treaty Organization, the Regional Cooperation Council, the Council of Europe, and the Organization of Islamic Cooperation. Albanian criminal justice actors participated regularly in various regional associations, conferences, and other counterterrorism information sharing exchanges.

AUSTRIA

Overview: Austria demonstrated continued commitment to countering terrorism, and U.S.-Austria law enforcement cooperation remained strong. Austria's Office for State Protection and Counterterrorism (BVT), the key counterterrorism agency within the Ministry of the Interior, reported ongoing radicalization to violence efforts by violent Islamist extremist groups. The country's traditional public perception that Austria is safe from terrorist attacks continued to be challenged by a large number of foreign terrorist fighters from Austria headed to Syria and Iraq. This number tapered off in the course of the year due to a combination of factors, including effective counterterrorism measures. The BVT charged or monitored those returning from Syria. The international terrorist threat environment prompted the government to establish an ad-hoc security cabinet and to give the armed forces a greater complementary counterterrorism role than previously mandated. Continued concerns over data privacy protection, amplified by public debate about suspected U.S. intelligence activities in Austria, slowed the implementation of some bilateral counterterrorism agreements.

Austria identified the fight against radicalization to violence and violent extremism as a key priority for its 2017 Organization for Security and Cooperation in Europe (OSCE) Chairmanship. Austria is a member of the Global Coalition to Defeat ISIS, and a member of the Defeat-ISIS Working Groups on Foreign Terrorist Fighters and Stabilization. Throughout 2016, the Ministries of Interior, Justice, and Foreign Affairs increased efforts to counter incitement of terrorist acts motivated by violent extremism, and to counter the problem of foreign terrorist fighters. Law enforcement agencies focused on intelligence gathering and investigations, while integration officials engaged in public outreach to prevent radicalization to violence. In 2016, members of the Austrian parliament continued to meet with U.S. legislators within the Parliamentary Security Forum venue to discuss cooperation on counterterrorism and terrorist financing issues.

Legislation, Law Enforcement, and Border Security: Austria has an extensive legal structure to counter terrorism. Relevant statutes criminalize training in terrorist camps abroad and allow wiretapping of individual suspects or small groups with the permission of an independent judge or ombudsman. Specific regulations prohibit the use and distribution of symbols attributable to ISIS or al-Qa'ida. Regulations further allow border authorities to prevent minors from leaving Austria upon suspicion minors will participate in fighting activities abroad. Authorities are allowed to withdraw citizenship from an Austrian dual national who voluntarily and actively participates in fighting in an armed conflict.

Having taken effect July 1, 2016, Austria's State Protection Law provides the BVT enhanced legal tools to counter terrorism, espionage, cyber-attacks, and WMD proliferation. The new law authorizes the agency to request information from internet service providers and telephone carriers regarding connectivity data, IP addresses, location, as well as request information from transport authorities. The maximum time for data storage by police in terrorism cases was expanded from nine months to six years. Any intrusive action by the BVT requires prior approval by a tripartite panel including an experienced judge and two additional experts, such as prosecutors or privacy ombudspersons. This panel is required to report to Parliament.

Additionally, targeted individuals must be informed about the actions against them. The law grants greater authority for the BVT to share intelligence with other domestic intelligence agencies and foreign intelligence organizations.

Austrian law enforcement and BVT officials routinely cooperated in investigative areas with U.S. law enforcement, from the informal sharing of preliminary investigative information to joint, multilateral investigative projects and enforcement operations. Border security forces made effective use of security measures, including biographic and biometric screening capabilities at ports of entry and information sharing internally and with other European Union countries. Border security officials at ports of entry have discretion when determining documents and passengers subject to screening on arrival.

Austria has taken a whole-of-government approach to implement UN Security Council resolutions 2178 (2014) to counter foreign terrorist fighters, and 2199 (2015) to counter ISIS, as well as Global Counterterrorism Forum good practices on foreign terrorist fighters.

The BVT estimated the number of Austrians fighting in Syria and Iraq, or wanting to travel to the conflict zone, at 300 during the period of 2014 through December 2016. Fifty persons were prevented from leaving the country for conflict zones, including 22 women. According to Interior Ministry information, 44 people presumably died in Syria and Iraq, all of them men. BVT monitored an estimated 80 others who had returned to Austria by year's end.

More than two-fifths of Austrian foreign terrorist fighters are of North Caucasus origin, and around 40 percent were persons with refugee status in Austria. Chechens who entered Austria as asylum seekers over the past decades represented the largest group. Radicalized ethnic Bosnians with direct links to cells in Bosnia were the second largest.

Throughout 2016, law enforcement officials continued surveillance and arrests of suspected terrorists, and prosecuted and sentenced ISIS sympathizers and would-be foreign terrorist fighters. Crime statistics (available for the first half of 2016) showed a marked decline in new arrests related to radicalization, from 139 in 2014 and 59 in 2015, to seven during the first six months in 2016. In comparison to the previous year, justice authorities in 2016 saw a reduction in their processed terrorism-related caseloads.

In July, Austria extradited to France two terrorism suspects implicated in the November 2015 terrorist attacks in Paris. In December, a trial against two other defendants believed to be connected to the two extradited suspects began in Salzburg.

In a series of high-profile trials during 2016, Austrian courts handed down long prison terms on terrorist suspects. Austria's most notorious foreign terrorist fighter, Mohamad Masoud, who in 2015 was filmed executing two individuals, was rumored to have died in a drone attack in Syria the same year.

- In March, Turkish-born defendant Sevkret G. received a 10-year prison term for joining terrorists in Syria in 2012.

- In March, a court sentenced an imam to a six-year prison term for recruiting fighters for ISIS; two other individuals were given five-year terms for fighting with the group.
- In March, a woman received a 14-month prison sentence, with one month suspended, for plans to join ISIS in Syria with her three children.
- In July, Mirsad Omerovic (aka Abu Tejma) was sentenced to 20 years in prison for recruiting foreign terrorist fighters.

Counterterrorism experts monitored domestic militia-like groups, known locally as Reichsbuerger, who reject the primacy of the state. They are considered a serious threat, particularly if trying to infiltrate the armed forces. The number of participants in these groups was estimated at 800.

Austria has extensive, high-quality processes in place to register and screen individuals applying for asylum, lawful residence, and citizenship. Applicants are fingerprinted and checked against the European Dactyloscopy system (EURODAC), which is the European fingerprint database for identifying asylum seekers and irregular border-crossers, and on a case-by-case basis against criminal databases. Individuals are again screened against national and international law enforcement databases before citizenship is approved. Due to restrictive Austrian citizenship laws that require the renunciation of second nationalities, and language requirements, the application process takes at least six years.

Countering the Financing of Terrorism: Austria is a member of the Financial Action Task Force (FATF), and Austria's financial intelligence unit (FIU) is a member of the Egmont Group of Financial Intelligence Units. Austria has a comprehensive legislative and regulatory framework for anti-money laundering/countering the financing of terrorism (AML/CFT), which was further strengthened in 2016 in line with recommendations from FATF. Recent legislative amendments include higher AML penalties, limiting banks' ability to block access to information on customer accounts, and reforms of the FIU's operational procedures and supervisory framework.

Austria criminalizes the financing of terrorism in line with international standards and freezes terrorist assets in accordance with UN Security Council resolutions implemented through EU legislation. EU regulations targeting terrorist financing, once adopted, are directly applicable in Austria. Money or Value Transfer Services, dealers in precious stones and metals, real estate agents, and exchange houses are monitored and regulated in Austria. Austria has successfully investigated and prosecuted terrorist financing cases, although criminal penalties imposed may not be dissuasive.

Austria implements the collection of Know Your Customer data for wire transfers through EU Regulation 1781/2006/EC. This regulation does not include requirements regarding information on the beneficiary of a wire transfer, and there is no respective national law in place. The Austrian government plans to comply with the new EU Regulation on information accompanying transfers of funds (Regulation 2015/847), however, which was passed May 20, 2015, and enters into force on June 26, 2017. While Austria has taken measures to require closer monitoring of non-profit organizations, this sector is still not required to file suspicious transaction reports.

Austria routinely distributes UN sanctions lists to financial institutions immediately upon receipt of new UN listing decisions.

For further information on money laundering and financial crimes, see the *2017 International Narcotics Control Strategy Report (INCSR), Volume II, Money Laundering and Financial Crimes*: http://www.state.gov/j/inl/rls/nrcrpt/index.htm.

Countering Violent Extremism: Austria continued efforts to counter violent extremism, largely in response to the foreign terrorist fighter phenomenon. In addition, the Austrian government undertook or continued several other initiatives. The Ministry of Foreign Affairs, in cooperation with the Islamic Faith Community, continued its information campaign in mosques, Islamic organizations, and community centers. The initiative included education outreach to encourage Austrians to differentiate between Islam and what Austria describes as violent extremism. In an effort to counter radicalization to violence and improve integration in the newly arrived refugee population, the Integration Office within the Foreign Ministry developed an educational program focused on German language acquisition and education on Austrian 'values' such as gender equality and democratic principles. The Austrian government maintained a counseling center and a de-radicalization hotline aimed at friends and family members of potential violent extremists.

International and Regional Cooperation: Austria is a member of various international and regional security platforms, including the OSCE, the Salzburg Forum, and the Central European Initiative. Austria regularly leads law enforcement training programs with Salzburg Forum countries and the Balkan states.

AZERBAIJAN

Overview: Azerbaijan maintained its strong counterterrorism cooperation with the United States and actively opposed terrorist organizations seeking to move people, money, and materiel through the Caucasus region. The country remained focused on counterterrorism efforts that included prosecuting individuals under statutes related to terrorism, arresting foreign terrorist fighters returning to Azerbaijan from conflicts abroad, and conducting special operations against those the government said were planning terrorist attacks.

Azerbaijan indicated its continued strong willingness to counter ISIS by sharing information, working to disrupt the flow of foreign terrorist fighters to Iraq and Syria, and countering illicit funding of terrorist groups in those countries. Senior government leaders, including the heads of the Caucasus Muslim Board and the State Committee for Work with Religious Associations, took public steps to counter ISIS and al-Qa'ida ideology. They and other senior government representatives repeatedly condemned international terrorist attacks that occurred during 2016.

On September 17, Azerbaijani President Ilham Aliyev, and other leaders attending the Commonwealth of Independent States Heads of State Council meeting in Bishkek, Kyrgyz Republic, jointly approved a program on cooperation in the fight against terrorism and other

forms of violent extremism for 2017-2019. President Aliyev also participated in discussions at the NATO Warsaw Summit on July 8-9 on measures to counter violent extremism.

Legislation, Law Enforcement, and Border Security: Azerbaijan continued to use counterterrorism legislation, first adopted in 1999, that governs the investigation and prosecution of individuals who have committed or plan to commit terrorist acts.

As the country's primary law enforcement agency, the Ministry of Internal Affairs has responsibilities for fighting terrorism. Specific counterterrorism actions are taken through the Ministry's Organized Crime Unit. The Prosecutor General's Office maintains responsibility for prosecuting individuals for terrorism, conspiracy to commit terrorism, conspiracy to aid terrorism, and other terrorism-related crimes.

Azerbaijan's State Security Service (SSS) cooperates closely with the Ministry of Internal Affairs and the Prosecutor General's Office on counterterrorism. Following a 2015 presidential decree, the Azerbaijani government in 2016 abolished the Ministry of National Security and split it into two new organizations, the SSS and the Foreign Intelligence Service. Among other duties, the SSS is charged with identifying and preventing criminal activities by terrorist groups, and countering international terrorism and transnational crimes.

The Azerbaijani government has demonstrated the ability to detect and deter terrorist activities, as well as prosecute foreign terrorist fighters returning to Azerbaijan. Authorities effectively use terrorist and criminal watch lists and biographic/biometric information to screen travelers at ports of entry. Azerbaijani security services effectively share information within the government and with other countries. Collection of Advance Passenger Information and Passenger Name Records on commercial flights occurred on some flights.

Azerbaijani law enforcement agencies continued to investigate, prosecute, and sentence those the government accused of fighting with terrorist groups in Syria and Iraq, and conducted counterterrorism operations against suspected terrorists within Azerbaijan.

In 2016, the government terminated the citizenship of 58 individuals accused of involvement in terrorist activities outside the country.

The government has continued to prosecute 17 suspects arrested during a November 2015 law enforcement operation in the village of Nardaran, about 15 miles north of the capital, Baku. The government has charged former political prisoner and religious activist Taleh Bagirzade (also referred to in media reports as Taleh Bagirov) and others with plotting to overthrow the government. The government alleged that Bagirzade and his associates were storing ammunition and explosives in Nardaran, which officers seized during the raid. During the operation, five village residents were killed, along with two police officers. Government officials alleged that radical individuals and groups within Nardaran have long been advocating establishment of a fundamentalist Islamic state and claim these groups have received support from governments and fundamentalist-backed entities outside the country. Many democracy and human rights advocates believe the arrests were arbitrary due to lack of evidence. Observers of the trial have

noted frequent violations of due process, as well as numerous inconsistencies in the prosecution's case. The trial was ongoing at the end of 2016.

Throughout the year, there were reports of terrorist acts being prevented in Azerbaijan; however, it is unclear whether some of these preventative actions were taken against bona fide terrorist threats or were designed to curb the activities of heretofore non-violent independent religious activists.

On February 12, the SSS arrested eight suspects in a counterterrorism operation. Several of those were convicted and sentenced to prison on terrorism-related charges.

On October 27, the SSS announced that its officers had conducted raids in which two men suspected of planning terrorist attacks in Azerbaijan were killed and a third was wounded. The SSS said in a statement that the men had created an armed group in Azerbaijan and pledged allegiance to terrorist groups involved in armed conflicts outside Azerbaijan.

On November 16, a court in Baku convicted seven Azerbaijani citizens on charges they fought in Iraq and Syria alongside militants from ISIS and other terrorist groups. The court sentenced the defendants to prison sentences ranging from two to 14 years.

On November 25, one terrorist suspect, Ramiq Rahimov, was killed during an SSS operation in Azerbaijan's Khachmaz District. Rahimov was suspected of leading a terrorist organization involved in armed conflicts outside Azerbaijan and of recruiting Azerbaijani citizens to fight abroad. An SSS statement said Rahimov had illegally acquired firearms and explosives and planned to carry out terrorist attacks and kidnappings.

On December 3, SSS officers killed a man the government said was carrying an explosive device and planned to commit acts of terrorism on Azerbaijan's territory. The SSS said in a statement that officers tried to arrest Emin Jami near a shopping center in Baku, and killed him when he presented a threat to the SSS officers. Jami had, according to the government, sworn "allegiance to representatives of international terrorist organizations and illegal militias involved in conflicts abroad." Jami had previously served nine years in prison for membership in a terrorist group and, according to an SSS statement, had resumed contact with other Azerbaijani violent extremists fighting in conflict zones and preparing terrorist activities in Azerbaijan.

Countering the Financing of Terrorism: Azerbaijan is a member of the Council of Europe's Committee of Experts on the Evaluation of Anti-Money Laundering Measures and the Financing of Terrorism (MONEYVAL), a Financial Action Task Force (FATF)-style regional body. The government's Financial Monitoring Service (FMS) is a member of the Egmont Group of Financial Intelligence Units.

Azerbaijan has continued its efforts to increase its capability in anti-money laundering/ countering the financing of terrorism (AML/CFT) since it was last assessed by MONEYVAL in 2014. Azerbaijan has established a framework for asset freezing and requires financial institutions to conduct customer due diligence and report suspicious transactions to the FMS. Its legal framework to criminalize terrorist financing does not cover all aspects of the offense,

however, and not all non-financial institutions are required to report suspicious transactions, presenting a further vulnerability in its AML/CFT framework.

For further information on money laundering and financial crimes, see the *2017 International Narcotics Control Strategy Report (INCSR), Volume II, Money Laundering and Financial Crimes*: http://www.state.gov/j/inl/rls/nrcrpt/index.htm.

Countering Violent Extremism: The State Committee on Work with Religious Associations, together with the Azerbaijan-based Caucasus Muslims Office, took steps to encourage religious leaders to counter calls to violence in religious sermons in some mosques.

International and Regional Cooperation: Azerbaijan remained a member of the Organization for Security and Cooperation in Europe, the Organization of Islamic Cooperation, and other international organizations. Azerbaijan also continued to work with the North Atlantic Treaty Organization on counterterrorism initiatives.

BELGIUM

Overview: Since the terrorist attacks of March 22, the Belgian government has been working through a list of reforms to bolster its ability to investigate and prevent future terrorist attacks. Despite allocating an additional €400 million (US $ 415,740,000) for counterterrorism and CVE efforts in 2016, however, Belgium still faced resource and institutional constraints. Belgium's complex, highly-decentralized government structure has hampered information sharing and cooperation among different levels of government. It has also contributed to uneven results in integrating migrant communities into mainstream Belgian society.

For several years, Belgium has taken an active approach to identify, disrupt, and decrease the flow of its relatively large foreign terrorist fighter problem. Several legislative changes helped fulfill many UN Security Council resolution 2178 obligations. In February, Belgium was the site of the inaugural U.S.-led Foreign Terrorist Fighter Surge Team designed to: identify new avenues of bilateral cooperation; assist in efforts to identify, disrupt, and decrease foreign terrorist fighter flows; and to promote greater domestic and international cooperation.

In 2016, the Belgian government created a centralized foreign terrorist fighters database to allow all Belgian law enforcement and intelligence agencies to share identities of known or suspected foreign terrorist fighters; the database contained approximately 800 names at the end of 2016. Belgian authorities reported approximately 450 Belgians have traveled to Iraq and Syria as foreign terrorist fighters, although the number of foreign terrorist fighter departures has been steadily decreasing.

The number of both departing and returning foreign terrorist fighters has slowed, raising concerns that radicalized individuals may have made the choice to remain in Belgium to commit violent acts. Since the Charlie Hebdo and kosher supermarket attacks in Paris in January 2015, the standard operating procedure has been to detain returning fighters until their cases can be assessed on an individual basis. Those who have not been connected to criminal acts overseas

and who are believed to pose no risk of radicalizing others are generally released, but remain subject to additional monitoring by police and social service professionals.

Belgium is an active member of the Global Coalition to Defeat ISIS, and participates in several of its working groups. Belgium currently deploys six F-16s in air operations in Syria and Iraq (in cooperation with the Netherlands), and its Special Forces are helping train Iraqi security forces as well as supporting, advising, and assisting them. Belgium also provided a frigate to escort the Charles de Gaulle carrier strike group in support of French Defeat-ISIS operations, and has contributed approximately 120 personnel in support of missions that include air-combat and air-combat support.

2016 Terrorist Incidents:

- On March 22, suicide bomb attacks at Brussels National Airport (Zaventem) and at the Maelbeek metro station killed 32 and wounded more than 300.
- On August 6, two police officers in Charleroi were wounded in a machete attack at a police station; the attacker was shot and killed by a third officer.
- On October 5, two police officers were wounded in a knife attack in a park in Schaerbeek; the attacker was shot and wounded by a third officer.

Legislation, Law Enforcement, and Border Security: Of the 30 counterterrorism measures proposed by the Government of Belgium since January 2015, 18 have been fully implemented, nine have been partially implemented, and three have yet to be implemented. Of the nine that are partially implemented, three are the subject of ongoing debate in Parliament (Passenger Name Record, pre-paid cards, revision of Article 12 of the Constitution), three have seen no legislative action but are already standard practice (detention of returnees, exclusion of hate preachers, and dismantling of unrecognized places of worship), two are moving through an administrative review to determine the exact parameters of a successful implementation (screening for sensitive jobs and extension of Automatic Number Plate Recognition cameras, which uses optical character recognition on images to read vehicle registration plates), and one has been funded but is experiencing staffing and administrative problems (the Canal Plan, explained in the CVE section, below). Although implementation of these 30 measures has been slower than originally hoped, the Government of Belgium has steadily pushed forward to address what it deemed legislative and administrative vulnerabilities.

Belgium plays a significant role in international efforts to disrupt, prevent, detect, and punish acts of terrorism. The United States and Belgium maintained a close, cooperative counterterrorism partnership, collaborating on key bilateral homeland security initiatives. The primary actors in Belgian law enforcement are the Belgian Federal Police (BFP) and its multiple counterterrorism units, the Civilian and Military Intelligence Services, Office of the Federal Prosecutor, and the Crisis Unit. The interagency Coordination Unit for Threat Analysis plays an analytic threat assessment role, particularly with regard to foreign terrorist fighters, and advises the Government of Belgium on setting the national threat level. The Belgian National Security Council also plays a significant role in the intelligence and security structure. Belgian law enforcement and intelligence services disrupted several terrorist plots in 2016, including planned attacks targeting the EuroCup, a multi-national military installation, nightclubs in Brussels, and key international diplomatic personnel.

A Joint Investigative Team (JIT) between the Belgian Federal Police (BFP) and the U.S. Federal Bureau of Investigation was formed on April 22, and a second JIT was formed in October. The purpose of these JITs is to speed up intelligence sharing between law enforcement and the United States to prevent future attacks and to better identify and disrupt terrorist networks. The cooperation has resulted in several arrests, the disruption of active terrorist plots, and the solidification of the criminal cases against the March 22 attackers.

Belgian law enforcement faces several impediments to more effective counterterrorism efforts including relatively light sentences after conviction, the inability to enter into plea agreements with defendants, the inability to task sources for active collection, the lack of empowerment for law enforcement officers (they can only do what the Investigative Judge directs them to do), and an overburdened court system that results from the lack of plea agreements.

Belgium was in the final stages of codifying the European Union (EU) Passenger Name Record (PNR) directive into Belgian law. Once Parliament approves, the legislation must be published in the official journal and then a royal decree drafted and signed. The Belgian PNR team was preparing two such decrees, one for PNR and one for Advanced Passenger Information. Belgium was in the process of negotiating with travel agencies, operators, and airlines on the implementation of the legislation.

This year has brought progress on information sharing under the Belgium-U.S. Preventing and Combating Serious Crimes (PCSC) Agreement. Belgium has a two-phase plan to implement the biometric information-sharing elements of the PCSC agreement that will make the PCSC tool available to the investigative process at both the federal and local levels. Belgium screens migrants against its own law enforcement and intelligence databases in addition to EU databases. Over the past year, Belgium has accelerated the pace of this screening and expanded the use of biometric screening, including fingerprints.

Countering the Financing of Terrorism: Belgium is a member of the Financial Action Task Force (FATF) and Belgium's financial intelligence unit. The *Cellule de Traitement des Informations Financieres* (CTIF) is a member of the Egmont Group of Financial Intelligence Units. Belgium has the core elements of a sound anti-money laundering and countering the financing of terrorism (AML/CFT) regime and continued its efforts to address areas of weakness, which include the implementation of targeted financial sanctions and information sharing.

The CTIF is tasked with tracking and investigating reports of financial crimes, including money laundering and terrorist financing, and has broad authorities under Belgian legislation to conduct inquiries and refer criminal cases to federal prosecutors. Money transfer and other remittance services are monitored and regulated, and Know Your Customer data is collected per EU directives. Non-Profit Organizations are regulated and monitored by the Ministry of Justice. UN lists of sanctioned individuals and entities are routinely distributed via gazette notices, although implementation through the EU regulations can take anywhere from several days to weeks.

For further information on money laundering and financial crimes, see the *2017 International Narcotics Control Strategy Report (INCSR), Volume II, Money Laundering and Financial Crimes*: http://www.state.gov/j/inl/rls/nrcrpt/index.htm.

Countering Violent Extremism: Belgian authorities consider violent extremism as a complex phenomenon driven by political, social, and personal factors – polarization of ethnic and religious groups in society, terrorist propaganda, anti-Western religious ideology, the civil war in Syria, perceived or actual anti-Muslim discrimination, unequal distribution of educational or employment opportunity, criminality, and psychological disturbance. Many but not all Belgian-national terrorists or foreign terrorist fighters have non-terrorist criminal histories, have spent time fighting in Syria, have close familial ties to other criminals or terrorists, and often come from or have connections to poorer, mostly ethnic-Moroccan neighborhoods in Brussels or Antwerp.

Belgium's central counter-radicalization plan aims to identify people at the early stages of radicalization to violence to take appropriate measures. This strategy has been incorporated into the BFP Integral Security framework document designed to integrate policy at the federal and regional levels. The emphasis on the federal level is on pursuing and protecting while regional authorities focus on prevention and social measures. Belgium has undertaken efforts to reduce criminality, strengthen Muslim religious and community leaders, and reduce social polarization. The Ministry of Interior launched the "Canal Plan" in several Brussels-area neighborhoods with high rates of crime and links to terrorism. The plan includes an increase in police on the streets, a crackdown on drug-, arms-, and illicit-goods trafficking; promised reductions in petty crime; effective registration of all inhabitants in their official residences; and aggressive records checks of businesses and associations.

As part of its strategy to address foreign terrorist fighters, Belgium has created local security task forces focused on security measures, and local integral security cells focused on prevention and social service delivery for radicalized or potentially radicalizing individuals. Additionally, both public and private initiatives exist to attempt to reintegrate foreign terrorist fighters into Belgian society, as well as national programs and a federally supported network of de-radicalization specialists to work with foreign terrorist fighters. Belgium has increased police training under the joint Belgium-EU Community Policing and the Prevention of Radicalization program. The BFP has sponsored additional community policing initiatives, including one organized with Rutgers University's Department of Homeland Security Studies.

Belgium generally sentences convicted terrorists or supporters of terrorist organizations to prison. Countering the foreign terrorist fighter threat through prison de-radicalization is a top priority, and the Ministry of Justice has increased funding for radicalization-related counseling in prisons. Belgium has begun training imams who work with prisoners to recognize signs of radicalization to violence, and to identify possible recruiters; efforts are underway at some prisons to isolate radicalized prisoners to prevent the spread of violent extremist views.

The Government of Belgium has provided additional resources to strengthen the official institutions of Islam in Belgium to enable imams to act more effectively against terrorist

propaganda, while regional governments have strengthened religious education and provided new training opportunities for religious leaders.

International and Regional Cooperation: Belgium participates in EU, North Atlantic Treaty Organization, Organization for Security and Cooperation in Europe, and Council of Europe counterterrorism efforts, and is a member of the advisory board of the UN Counterterrorism Center. Belgium has also been an active proponent of Europol databases and EU-wide information sharing. As an EU member state, Belgium has contributed trainers and capacity building expertise to EU counterterrorism assistance programs in Sahel countries, including the *Collège Sahélien de Sécurité*; and the BFP provided training to counterparts in the Maghreb. Belgium currently leads the EU training mission in Mali to build Malian Armed Forces capacity to reduce threats caused by terrorist groups.

Belgium participates in all EU efforts to prevent and interdict foreign terrorist fighter travel across land and maritime borders, encouraging efforts to strengthen Schengen zone external borders, actively engaging in the Syria Strategic Communications Advisory Team, promoting the implementation of EU and domestic Passenger Name Record systems, participating in EU naval operation against human smugglers in the Mediterranean under Operation Sofia, and supporting the EU-Turkey agreement aimed at discouraging illegal migration to Europe. Belgium is also an active participant in Global Counterterrorism Forum workshops.

BOSNIA AND HERZEGOVINA

Overview: Bosnia and Herzegovina (BiH) remained a cooperative counterterrorism partner and continued to make progress increasing its counterterrorism capacity. BiH law enforcement agencies generally kept close track of foreign terrorist fighter suspects, however, the Terrorism Task Force led by the State Prosecutor's Office – tasked with improving coordination between BiH's many security and police agencies – continued to falter. Violent Islamist extremist ideology and regional nationalist extremist groups both remained potential sources of violent extremism in BiH.

A number of BiH citizens have traveled to Syria and Iraq to support ISIS and other terrorist groups, but legal and societal efforts to prevent violent extremism were credited with having reduced the flow of foreign terrorist fighters compared to previous years. BiH officials and open media sources estimated that approximately 300 BiH citizens have left for destinations in Iraq and Syria since 2013, of which approximately 50 have returned. BiH government officials reported that there was no discernible flow of foreign terrorist fighters in 2016. BiH is a member of the Global Coalition to Defeat ISIS.

Legislation, Law Enforcement, and Border Security: The majority of BiH's coordination and cooperation problems are the result of personal, political, and institutional rivalries that exist among law enforcement agencies and the State Prosecutor's Office. BiH continued to lack the capacity to thoroughly investigate and prosecute cases of terrorism and foreign terrorist fighters, particularly when investigations involve complex financial dealings, cyber recruitment, and coordination. While most prosecutions resulted in convictions or plea bargains, sentences were inadequate.

The BiH Border Police (BP) uses a computerized database and software system to support immigration and passenger information collection. According to the Border Police, the system connects BiH's border crossings, including four airport locations (Banja Luka, Mostar, Sarajevo, and Tuzla) via the State Police Information Network (SPIN), a network developed and donated by the Department of State via the U.S. Department of Justice's International Criminal Investigative Training Assistance Program (ICITAP). The Foreigners Affairs Service (FAS) reports that they have connected all but two of their 16 field offices to the SPIN network. The Directorate for the Police Body Coordination (DCPB), the State Investigative and Protection Agency (SIPA), the Federation Ministry of Interior, and the BiH Ministry of Security can reportedly also access SPIN. The SPIN network provides the BP and FAS with access to other supporting databases (including INTERPOL) to run appropriate checks and cross-checks.

Through the data exchange system, which became operational with European Union support in 2013, participating police agencies in BiH have the capability to exchange data, and any derogatory information will come up as a "hit" when a subject's passport or BiH identification card is passed through the scanner at the point of entry. The BP has both legal authority and physical facilities at most border crossings to detain individuals for up to 24 hours while they consult with SIPA and the BiH Prosecutor's Office regarding next steps regarding questionable individuals. Observers report, however, that there continued to be significant gaps in border security and it was unclear whether screening had occurred at all official points of entry. There were also numerous non-official points of entry that were not monitored.

Separately, ICITAP, with Department of State funding, has set up a limited biometric system for the FAS that will permit more effective monitoring of individuals entering and leaving BiH, and has supported two mobile command posts that can respond anywhere in the country and coordinate emergency response. Additionally, ICITAP plans to upgrade the DCPB's Emergency Operations Center's communications system to facilitate coordination during emergency situations. Emergency response systems were still lacking throughout most of the country, however, and law enforcement agencies were not fully equipped or trained to respond to a terrorist attack or natural disaster. The lack of information sharing between law enforcement entities would likely further inhibit a coordinated response.

The Department of State's Export Control and Related Border Security (EXBS) program provided training courses and equipment donations to BiH Customs and Border Police, including a *Docubox*, a device used to identify fraudulent travel documents.

Countering the Financing of Terrorism: BiH is a member of the Committee of Experts on the Evaluation of Anti-Money Laundering Measures and the Financing of Terrorism (MONEYVAL), a Financial Action Task Force (FATF)-style regional body. BiH's financial intelligence unit, the Financial Intelligence Department, is a member of the Egmont Group of Financial Intelligence Units.

In spring 2015, BiH was referred to the FATF public identification process due to its lack of progress rectifying core anti-money laundering/countering the financing of terrorism (AML/CFT) deficiencies, including the criminalization of terrorist financing and failure to

implement UN obligations for targeted financial sanctions. In June 2015 BiH made a high-level political commitment to work with the FATF and MONEYVAL and has been working to implement an action plan to address identified deficiencies since that time. In June 2016, the FATF recognized that BiH has taken steps towards improving its AML/CFT regime, including by finalizing a regulation for freezing terrorist assets under UN Security Council resolution 1373 and working to harmonize the federal criminal code with its equivalent in BiH jurisdictions. The EU noted in its November 2016 report on BiH that measures in the action plan need to be completed without delay, particularly on the registration and financial reporting of the non-governmental sector.

For further information on money laundering and financial crimes, see the *2017 International Narcotics Control Strategy Report (INCSR), Volume 2, Money Laundering and Financial Crimes*: http://www.state.gov/j/inl/rls/nrcrpt/index.htm.

Countering Violent Extremism: The main religious communities in BiH (Catholic, Islamic, Jewish, and Orthodox) continued to work together through the Interreligious Council to promote tolerance and confront acts of bigotry or violent extremism directed at any of the communities. Among public figures, the Grand Mufti and leader of the Islamic Community in BiH, the Reis Kavazovic, continued to speak out against "misinterpretations of Islam" that lead to extremist violence. The Islamic Community made significant progress countering the spread of potentially extremist interpretations of Islam. In February 2016, the Reis Kavazovic officially called upon members of self-organized Salafist communities (*parajamaats*) to join the Islamic Community, or face legal consequences. According to officials, approximately 90 percent of the known *parajamaats* have since recognized the authority of the Islamic community, which now actively supervises the congregations and appoints their imams.

Regional and International Cooperation: BiH's criminal code and related legal framework are generally harmonized with UN and EU counterterrorism standards. BiH is both a member of the Organization for Security and Cooperation in Europe (OSCE) and also the host of an OSCE field mission, which has assisted BiH in developing its counterterrorism strategy. It is also a member of the Council of Europe, and the Regional Cooperation Council (with Sarajevo hosting its headquarters), and a North Atlantic Treaty Organization-aspirant country.

BiH law enforcement agencies regularly interacted with their U.S. and European counterparts on counterterrorism investigations. INTERPOL has a Sarajevo branch office that has good cooperation with all law enforcement agencies throughout the country, all of which have direct access to INTERPOL's databases. BiH participated in a range of counterterrorism and CVE programs sponsored by UN entities and regional organizations, including the OSCE.

BULGARIA

Overview: The Government of Bulgaria continued to extradite suspected foreign terrorist fighters from Bulgaria and launched a trial against three alleged Syrian foreign terrorist fighters as well as two suspected accomplices in the 2012 Burgas bus bombing. The Bulgarian government has worked to enhance its terrorism prevention and enforcement tools by adopting

new and comprehensive counterterrorism legislation, and releasing a counter-radicalization strategy and national plan.

The United States and Bulgaria continued to strengthen counterterrorism cooperation through the Bilateral Counterterrorism Working Group established in 2015. The group, comprising representatives of multiple U.S. and Bulgarian agencies, facilitated the signing of a memorandum for continuous training of Bulgarian counterterrorism special forces. In September, Bulgaria presented the United States with a comprehensive list of priorities and projects to enhance bilateral cooperation in the fight against violent extremism and foreign terrorist fighters, and in November both countries signed an Implementing Agreement to the Bulgaria-U.S. Preventing and Combating Serious Crime Agreement, which would make use of DHS's Secured Real-Time Platform. As part of its bilateral counterterrorism cooperation proposal to the United States, Bulgaria proposed to create a regional research and analysis network on foreign terrorist fighters and radicalization to violence. Bulgaria envisions a network of NGOs, academics, and security services from throughout the Balkans taking part in this effort.

Bulgaria is a member of the Global Coalition to Defeat ISIS and has repeatedly responded to requests for assistance, including providing weapons and munitions to the Iraqi Kurdistan Region's Peshmerga.

Legislation, Law Enforcement, and Border Security: Bulgaria prosecutes terrorism under several general provisions of the penal code, which has been amended multiple times since it was first enacted in 1968. In 2015, the National Assembly adopted amendments to the penal code that provide for the prosecution of individuals, including foreign terrorist fighters, who support, plan, and facilitate the commission of terrorist acts in Bulgaria and abroad.

In 2016, the Bulgarian National Assembly approved new counterterrorism legislation which provides a legal mechanism for a whole-of-government response to terrorist threats. The bill defines three levels of terrorist threat and four levels of response readiness. The Council of Ministers provides overall guidance on counterterrorism activities and adopted a counterterrorism strategy and a national plan. The National Counterterrorism Center (NCTC), which is part of the State Agency for National Security (DANS), will serve as a data hub and will supply all competent agencies with information necessary to prevent and intercept terrorist threats on a 24-hour-a-day basis. The bill also regulates the role of the military forces in counterterrorism activities, and delineates the cooperation between the central and local governments. Amendments to the legislation were adopted providing the military with powers to search individuals, their vehicles, and possessions; to check IDs; to enter homes in the owners' absence; and to arrest or use physical force and arms if needed, to prevent or deal with the consequences of a terrorist act.

The Ministry of the Interior has operational units responsible for deterring, detecting, and responding to terrorist incidents, including the Specialized Unit for Combating Terrorism, Security Police, and Special Police Forces, which receive support from a U.S. Special Operations Forces Liaison Element. DANS has intelligence-gathering units responsible for counterterrorism. DANS also houses the NCTC, which is designed and capable of being an interagency body during crisis incidents. Specialized law enforcement units are generally

well-equipped and supported with relevant training, but their focus has been primarily on Sofia, while other regional centers lack resources. In 2015, the specialized court for organized crime and its prosecutors' office received jurisdiction to prosecute and try all terrorist cases in the country. The court is working to develop expertise in handling these types of cases.

After the terrorist attacks in Paris (2015) and Brussels (2016), Bulgaria tightened its border control rules and screened all travelers at the border crossings. Within the European Union (EU), Bulgaria shares Advanced Passenger Information appearing on the biographical data page of passports. Based on bilateral police cooperation agreements, Bulgaria also shares this type of information with non-EU countries for law enforcement purposes on an as-needed basis. In February, Parliament passed legislation that provided the legal basis for the establishment of a Passenger Information Unit (PIU). The PIU will collect and share the data an airline receives from a traveler to book and manage travel. The same legislation also obliges air carriers to provide data to the PIU. The government approved funding for the necessary equipment, and the PIU was in the process of staffing it with analysts from DANS and the Interior Ministry. Bulgaria also received €160 million (US $166 million) from the EU for border security enhancement.

U.S. government agencies continued to work closely with Bulgarian counterparts through a variety of counterterrorism programs aimed at enhancing Bulgaria's capacity and capabilities. The Department of State partnered with Bulgaria to implement key programs in the areas of border security, aviation security, and interagency cooperation. In March, the United States provided planning assistance and participated in a city-wide crisis exercise that simulated attacks on public venues and transportation and the specific targeting of U.S. citizens, including U.S. embassy personnel. In May, the Department of State's Antiterrorism Assistance program offered training on interviewing terrorist suspects and, in October, provided guidance to the NCTC on fulfilling its goal of becoming a true interagency counterterrorism fusion center. In May, the FBI provided terrorist screening training to Bulgarian NCTC personnel. Bulgaria has benefited from several Institute for Law Enforcement Administration training programs focused on airport interdiction, law enforcement leadership and development, and personnel and facility security. The United States also conducted a Passport and Visa Fraud training course.

As part of its bilateral cooperation agreements with the United States, Bulgaria sought to acquire facial recognition software, handheld explosives-detection devices, and other resources to expand its capacity to secure its border and detect transiting foreign terrorist fighters.

Countering the Financing of Terrorism: Bulgaria is a member of the Council of Europe's Committee of Experts on the Evaluation of Anti-Money Laundering Measures and the Financing of Terrorism (MONEYVAL), a Financial Action Task Force-style regional body. Bulgaria's financial intelligence unit, the Financial Intelligence Directorate (FID) of DANS, is a member of the Egmont Group of Financial Intelligence Units and has primary responsibility for the supervision of reporting financial institutions and other entities. The Bulgarian National Bank also has a Special Supervision Directorate to investigate banks for compliance with money laundering and terrorist financing requirements.

Bulgaria criminalizes terrorist financing largely in accordance with international standards, although current legislation does not cover the full list of offenses. Although adequate legislation is in place, the procedures to implement UN Security Council resolutions 1267 and 1373 remain cumbersome, and border control and customs are not clearly authorized to retain assets upon suspicion of terrorist financing. Since there is no publicly available information on terrorism-related assets frozen or seized, it is hard to assess the effectiveness of Bulgaria's process. In April, the parliament passed amendments to the Measures against the Financing of Terrorism Act, introducing a direct application of United Nations (UN) sanctions made under UN Security Council ISIL (Da'esh) and al-Qa'ida sanctions regime. Since April, Bulgaria has added five new persons (foreign nationals) to its national list of persons subject to counterterrorist financing measures.

Thirty-one reporting entities, including banks, real estate brokers, and financial and exchange houses, are required to file regularly with FID currency transaction reports for all transactions valued at more than US $17,000. In 2016, FID/DANS received 22 suspicious activity reports related to terrorist financing from domestic reporting entities and 23 reports from foreign entities. The information remained under review at the end of the year. There are penalties (administrative sanctions) for non-compliance and enforcement is generally good. Bulgaria requires the collection of Know Your Customer data for wire transfers. All non-governmental organizations are obliged to report suspicious transactions.

For further information on money laundering and financial crimes, see the *2017 International Narcotics Control Strategy Report (INCSR), Volume II, Money Laundering and Financial Crimes*: http://www.state.gov/j/inl/rls/nrcrpt/index.htm.

Countering Violent Extremism: At the end of 2015, a new government strategy and action plan on countering radicalization to violence and violent extremism was approved by the Council of Ministers. The strategy aims to strengthen existing government counterterrorism efforts by involving all possible agencies and by optimizing interagency coordination. The strategy spells out mechanisms for improved cooperation with civil society, business organizations, local communities, and religious leaders. According to Bulgaria's draft action plan, the government will have a national program by 2020 for members of violent extremist groups to disengage, de-radicalize, and be rehabilitated. Further, the National Assembly passed amendments criminalizing "radical Islam" at the bill's first reading. The second reading had not taken place before the end of 2016. The Grand Mufti of Bulgaria has been a voice of tolerance and moderation, and has stressed that government efforts must complement community CVE efforts.

International and Regional Cooperation: Bulgaria is a member of and active contributor to counterterrorism initiatives at the UN, EU, the North Atlantic Treaty Organization, the Council of Europe, the Organization for Security and Cooperation in Europe, and Organization for Black Sea Economic Cooperation.

CYPRUS

Overview: The Republic of Cyprus collaborated closely with the United States, the European Union (EU), and other countries – bilaterally and multilaterally – in international

counterterrorism efforts in 2016. Cyprus' counterterrorism partnership with the United States included participation in a Department of State-funded Department of Justice regional program focused on countering Hizballah. The program strengthened the government's understanding of Hizballah and stressed the importance of interagency cooperation in countering all types of terrorism.

Since 1974, Cyprus has been divided *de facto* into the Republic of Cyprus government-controlled area, composed of the southern two-thirds of the island, and the northern third not under the effective control of the Republic of Cyprus, which is administered by the Turkish Cypriots. In 1983, the Turkish Cypriots declared the northern part to be the independent "Turkish Republic of Northern Cyprus" ("TRNC"). The United States does not recognize the "TRNC," nor does any country other than Turkey. The UN Peacekeeping Force in Cyprus (UNFICYP) patrols the Buffer Zone, also called "the Green Line," which separates the two sides, is largely open to civilian traffic, and remains a significant route for the illicit transit of people, narcotics, and other contraband.

The division of the island has impeded counterterrorism cooperation between the two communities and between the Republics of Cyprus and Turkey, which do not maintain diplomatic relations. Given the lack of international recognition, the Turkish Cypriots do not have the legal and institutional framework necessary to counter the financing of terrorism effectively. Within these current limitations, Turkish Cypriots have cooperated in pursuing specific counterterrorism objectives.

Cyprus is a partner in the Global Coalition to Defeat ISIS and regularly participates in the Coalition's Working Groups on Foreign Terrorist Fighters and Counter-ISIS Finance Group.

Legislation, Law Enforcement, and Border Security: The Republic of Cyprus enacted a National Law on Combating Terrorism in 2010 that incorporates EU Council Framework Decisions. Cypriot authorities continued to develop capabilities under the supervision of the National Counterterrorism Coordinator and a specialized counterterrorism squad in the Cypriot National Police's (CNP) Emergency Response Unit.

In response to multiple terrorist attacks in Europe, Cyprus enhanced its security cooperation and law enforcement measures. These activities included increased patrols around critical infrastructure and soft targets including popular tourist resorts, cultural sites, and diplomatic facilities. They have also increased security measures and surveillance at border crossing points and along the "Green Line" and Cypriot coast. Cyprus has strengthened passport control at airports and seaports through improved information exchange with Europol and INTERPOL regarding lost and stolen passports and enhanced training for border security officers to identify potential foreign terrorist fighters.

Cyprus currently is reviewing its existing legislation to address the requirements set out in UN Security Council resolution (UNSCR) 2178. Cyprus is also preparing to implement the 2016 EU Directive on the use of Passenger Name Records.

Countering the Financing of Terrorism: The Republic of Cyprus is a member of the Council of Europe's Committee of Experts on the Evaluation of Anti-Money Laundering Measures and the Financing of Terrorism, a Financial Action Task Force-style regional body. Cyprus's financial intelligence unit, the Unit for Combating Money Laundering (MOKAS), is a member of the Egmont Group of Financial Intelligence Units.

In April 2015, MOKAS started using "goAML," a sophisticated IT system, designed to meet data collection, management, analytical, workflow, and statistical needs of FIUs. This new system enables supervised entities to submit suspicious transaction reports to MOKAS electronically, under the highest security standards. MOKAS has already reported a 25 percent increase in the number of reports filed since the inception of this system, crediting it with simplifying the submission process.

In 2016, Cypriot authorities continued conducting a national risk assessment on money laundering and terrorist financing, covering the entire anti-money laundering/countering the financing of terrorism (AML/CFT) system, including charities. This document will build on a set of AML/CFT reforms, focusing on the financial sector transparency that Cyprus implemented in 2013-2016, in accordance with its IMF assistance program.

Cyprus has implemented the UN Security Council ISIL (Da'esh) and al-Qa'ida sanctions regime and informally tracked individuals and entities listed under U.S. executive orders (E.O.), including E.O. 13224. The Ministry of Foreign Affairs circulates updates of UN and EU sanctions lists to relevant authorities as well as the Cyprus Bar Association and the Institute of Certified Public Accountants of Cyprus. Cyprus does not have legal powers in place to apply targeted financial sanctions pursuant to UNSCR 1373, however.

Cyprus enacted legislation in 2016 to designate national competent authorities for implementing the EU and UN sanctions regimes and criminalizing infringements ("The Implementation of the Provisions of UNSCRs or Decisions (Sanctions) and Decisions and Regulations of the Council of the European Union (Restrictive Measures) Law of 2016, L.58(I)/2016"). This law also enables the supervisory authorities of the financial and non-financial sector to issue directives to their regulated entities and take administrative measures in case of non-compliance. Cyprus did not identify or freeze any assets pursuant to relevant UNSCRs in 2016.

The Central Bank of Cyprus is the supervisory authority for the banking sector, including cooperative societies, electronic money institutions, and payment institutions. Cyprus does not have a significant unregulated informal banking and money transfer system. Predominantly due to low capacity for supervision of financial institutions and company formation, Cyprus remains a major hub for shell company activity.

For further information on money laundering and financial crimes, see the *2017 International Narcotics Control Strategy Report (INCSR), Volume II, Money Laundering and Financial Crimes*: http://www.state.gov/j/inl/rls/nrcrpt/index.htm.

Countering Violent Extremism: Cyprus has established a network of first-line officers in the CNP, Social Welfare Services, and Ministries of Justice, Education, and Interior, to exchange

information and best practices on identifying radicalized behavior. The government has also established relationships with civil society organizations and municipal authorities to prevent radicalization to violence. Cyprus has continued its participation in the European Commission's Radicalization Awareness Network (RAN), and prison staff participates in the RAN Prison Network of the EU.

International and Regional Cooperation: Members of the CNP's Counterterrorism Office participate in the Working Group on Terrorism at the Council of the EU. Cyprus regularly participates in the Police Working Group on Terrorism, the "Dumas" Working Group, the European Expert Network on Terrorism, and the Europol European Counter Terrorism Center, as well as other meetings convened under Europol and INTERPOL. Cyprus has contributed to the Council of Europe's efforts to establish and adopt the Additional Protocol to the Council of Europe Convention on Combating Terrorism, which addresses foreign terrorist fighters within the framework of UNSCR 2178 (2014).

DENMARK

Overview: The Kingdom of Denmark (which includes the self-governing areas of Greenland and the Faroe Islands) devoted significant assets to counterterrorism programs and initiatives to counter violent extremism, domestically and abroad. Denmark cooperates closely with the United States, the United Nations (UN), and the European Union (EU) on specific counterterrorism initiatives, including the Global Counterterrorism Forum (GCTF). Denmark is a member of the Global Coalition to Defeat ISIS, and has contributed strike and support aircraft, including 7 F-16s deployed to Incirlik Air, support personnel at the Coalition regional headquarters, and military trainers to the Coalition.

According to the Danish Police Intelligence Service (PET), at least 135 Danish citizens and residents have voluntarily left Denmark to fight in Syria and Iraq since the summer of 2012. PET assessed that those who engage in combat in Syria and Iraq do so primarily as members of ISIS, and that nearly half of the individuals who traveled to Syria and Iraq for combat have returned to Denmark. Danish security services monitored individuals who have departed Denmark for combat and tracked returnees. PET remained concerned that Danish fighters returning to Denmark with terrorist training would seek to radicalize others.

Danish security agencies worked together to counter ISIS's attempts to recruit foreign terrorist fighters and prevent terrorist attacks in the country.

Legislation, Law Enforcement, and Border Security: Denmark continued to use its 2006 terrorism legislation that allows information sharing between Denmark's two intelligence services, PET and the Danish Defense Intelligence Service (DDIS). The legislation also permits surveillance and wiretapping of terrorist suspects with a warrant. Danish security and law enforcement agencies share information via the PET-administered Center for Terror Analysis (CTA), which – as the Danish government's intelligence fusion center – constitutes the focal point for reporting from the Danish National Police, PET, DDIS, the Ministry of Foreign Affairs, and the Danish Emergency Management Agency.

The Danish National Police and PET are responsible for the country's counterterrorism mission. These two divisions under the Ministry of Justice coordinate their responses with the DDIS and the Danish Commission on Counterterrorism and Foreign Terrorist Fighters.

Denmark's national police force is organized into 14 districts that also include the Faroe Islands and Greenland. Travel to ISIS-controlled areas of Syria or Iraq without permission from the Justice Ministry can result in loss of a traveler's Danish passport, and under newly implemented legislation, individuals who participate in terrorist activities can lose their Danish citizenship if it does not render the individual stateless. Denmark possesses biographic and biometric screening capabilities at ports of entry and readily shares information within its own government and with other countries, as appropriate. Security forces patrol and control Denmark's land and maritime borders. Denmark is a member of the Schengen Agreement. During 2016, Denmark instituted border checkpoints at land crossings and instituted tighter passport travel controls at air and sea ports. When Sweden introduced border controls in January 2016, in relation to the migrant and asylum seeker crisis in Europe, Denmark quickly implemented temporary border controls along its border with Germany to prevent migrants from being "trapped" in Denmark. These controls, which include checks for identification, are authorized through May 2017 and may be extended further. There were no passport controls at land borders or airport terminals servicing Schengen area flights in 2016. Copenhagen International Airport has installed automated passport control gates for travelers departing the Schengen area; travelers arriving from beyond the Schengen area must undergo standard passport control.

Other counterterrorism-related actions in the realms of law enforcement and legislation included:

- In January, a 16-year-old female and a 24-year-old male co-conspirator were arrested and charged for plotting to bomb two schools, one of which was a private Jewish school in Copenhagen. The female reportedly told police that she was inspired by a February 2015 terrorist attack in Copenhagen.
- In April, Copenhagen police arrested four individuals who had previously fought in Syria; police found weaponry and ammunition during the raid. The incident prompted legislation that limits travel to areas controlled by ISIS or other terrorist groups, and increased criminal penalties for individuals who join or promote terrorism in zones of armed conflict.
- In May, then Danish Minister of Justice Søren Pind signed the Additional Protocol to The Council of Europe Convention on Prevention of Terrorism, which criminalizes belonging to, organizing for, or traveling or training on behalf of a terrorist group. The agreement includes additional measures to facilitate information sharing between signatory states.
- In September, Danish courts acquitted four Danish citizens accused of materially supporting the 2015 Copenhagen terrorist attack; the four suspects were found guilty of lesser weapons charges related to the attack.
- In November, the Danish parliament committed an additional US $9 million to CVE efforts and an additional US $5 million for security infrastructure upgrades to buildings used by the Jewish community in Copenhagen.
- In December, Danish Parliament adopted legislation that institutes penalties for religious leaders who make verbal or written statements of approval of terrorism, murder, rape, and other acts that are against the Danish Criminal Code.

Countering the Financing of Terrorism: Denmark is a member of the Financial Action Task Force (FATF). Its financial intelligence unit (FIU), the Money Laundering Secretariat, is a member of the Egmont Group of Financial Intelligence Units and cooperates closely with other Nordic FIUs. Danish authorities can freeze assets within hours or days with a valid court order, although the confiscation process requires a full trial and is subject to an appeals process.

The Danish government continued an initiative focused on countering money laundering and terrorist financing in East Africa and Yemen. Denmark continued its efforts to build partnerships that teach anti-money laundering and counterterrorist finance techniques to the governments of Djibouti, Eritrea, Ethiopia, Kenya, Somalia, South Sudan, Sudan, Tanzania, Uganda, and Yemen.

In October, then Minister of Business and Growth Troels Lund Poulsen introduced legislation to implement the EU's Fourth Anti-Money Laundering Directive.

For further information on money laundering and financial crimes, see the *2017 International Narcotics Control Strategy Report (INCSR), Volume II, Money Laundering and Financial Crimes*: http://www.state.gov/j/inl/rls/nrcrpt/index.htm.

Countering Violent Extremism: The Danish Parliament continued funding of the National Countering Violent Extremism (CVE) action plan, which focused on prevention efforts, a de-radicalization exit program, mentoring for at-risk youth, and increased monitoring of internet-based messages and propaganda by groups that advocate terrorism or violent extremism.

In October, the government authorized a package of measures that aim to counter radicalization to violence in Denmark. A key piece of the legislation authorizes PET to identify and block terrorist or radicalizing content on the internet. Additionally the legislation funds a dedicated, national-level internet content filter designed to block terrorist content.

International and Regional Cooperation: The Danish government is committed to working within the UN framework through the EU, and with other international and regional organizations. Denmark actively participates in the UN, the Global Counterterrorism Forum, the EU, the Council of Europe, the Organization for Security and Cooperation in Europe, the North Atlantic Treaty Organization, INTERPOL, the Bern Club, and the EU Counterterrorism Group. In December 2015, Danish voters rejected a proposition to end the country's opt-out from the EU's Justice and Home Affairs area, which would have permitted Denmark to continue to cooperate with Europol after May 2017. The Danish government and the EU negotiated a separate agreement in December that provides Denmark access to Europol information and services through a liaison officer.

FRANCE

Overview: France remained a key counterterrorism partner of the United States in 2016. It is a longstanding member of the Global Coalition to Defeat ISIS, contributing early to the air campaigns in Iraq and Syria. President Hollande renewed his commitment to the fight against

ISIS in the aftermath of the July 14 ISIS-claimed terrorist attack in Nice, redeploying the aircraft carrier Charles de Gaulle to support intensified airstrikes against ISIS. France has also deployed approximately 3,500 troops to engage in Defeat-ISIS operations, as well as strike and refueling tanker aircraft. France continued its counterterrorism operations in Libya, Mali, and other parts of the Sahel region. Bilateral arrangements finalized in March and April enhanced already strong cooperation with the United States on exchanging information related to known or suspected terrorists.

France continued to face an elevated domestic terrorist threat level in 2016, most significantly from ISIS and ISIS-affiliated individuals. France is the largest European Union (EU) source of foreign terrorist fighters in Iraq and Syria. While the number of French citizens attempting to travel to Iraq and Syria decreased in 2016, officials worry this could increase the possibility of additional attacks on French soil as radicalized individuals choose to act at home, inspired by ISIS messaging.

Three significant attacks by terrorists affiliated with or inspired by ISIS claimed 89 lives and wounded more than 400 in 2016. In December 10 public remarks, Prime Minister Bernard Cazeneuve said authorities foiled 17 terrorist plots in 2016. While the January and November 2015 attacks exhibited organizational complexity, minimally-directed attacks requiring little operational overhead presented the greatest threat and caused the most damage in 2016.

2016 Terrorist Incidents:

- On January 7, the anniversary of the 2015 Charlie Hebdo attacks, a man wearing a fake explosive vest and wielding a butcher knife attempted to attack a police station in Paris. Police officers shot and killed the assailant – Tarek Belkacem, a 20-year-old born in Morocco – before he could injure anyone. Investigators later found on the attacker a handwritten note pledging allegiance to ISIS and justifying the act as a response to the attacks in Syria.
- On June 13, 25-year-old French citizen Larossi Abballa killed a police officer and his civil servant wife with a knife at their home in the Paris suburb of Magnanville. In a 12-minute video streamed live on Facebook during a standoff with police, Abballa pledged allegiance to ISIS and called for more attacks on police, journalists, and other public figures. Police forces raided the house, killed Abballa, and rescued the couple's three-year-old son, who was unharmed.
- On July 14, Mohamed Lahouaiej-Bouhlel, a 31-year-old Tunisian national with French residency, drove a 19-ton truck through a crowd celebrating Bastille Day on Nice's promenade, killing 86 and wounding more than 400 during the mile-long rampage. After several attempts by bystanders and police to stop the truck, two police officers shot and killed the driver approximately five minutes after the attack began. Lahouaiej-Bouhlel was armed with a 7.65mm handgun; several replica weapons and an unarmed grenade were reportedly found in the otherwise almost entirely empty rental truck. ISIS's propaganda outlet, *Amaq*, issued a statement on July 16 describing the attacker as "a soldier of the Islamic State."
- On July 26, two teenagers wielding knives and a non-functioning pistol killed an 86-year-old priest and wounded a parishioner attending mass at a Catholic church in Normandy. Police shot and killed the two perpetrators – 19-year-old French citizen

Abdelmalik Petitjean and 19-year-old Algerian-born French citizen Adel Kermiche – as they tried to flee the church using the remaining hostages as shields. ISIS claimed responsibility for the attack, describing Kermiche and Petitjean as "Islamic State soldiers," and later released videos of the two attackers pledging allegiance to the terrorist organization.

- In early September, French authorities arrested three women suspected of planning an attack on a Paris train station after an earlier failed effort to detonate a car bomb near the Notre Dame cathedral. One of the women arrested reportedly had ties to both the Normandy and Magnanville attackers, and two men arrested in connection with the plot were reportedly linked to ISIS operative Rachid Kassim.

Legislation, Law Enforcement, and Border Security: France has a system of non-jury courts for terrorism trials and a broad definition of what is considered a terrorist offence – the so-called "association of wrongdoers" offense – which allows it to cast a wide net and imprison a broad range of suspects. Under French law, foreigners can be deported if they are believed to pose a serious threat to public order. France remains under a state of emergency enacted shortly after the November 2015 attacks in and around Paris. The state of emergency was renewed for the fifth time in mid-December and is currently scheduled to expire July 15, 2017.

Legislation extending the state of emergency expanded government authorities to monitor phone and online communications, perform warrantless searches, exploit digital media found during these searches, and detain suspects without charge for up to 96 hours, among other measures. Maximum sentences for the crime of conspiracy to commit a terrorist act increased from 10 years to 20 to 30 years. A June 3 law on terrorism and organized crime increased fines and jail time for not sharing encryption methods used in the furtherance of such activity. Visiting violent extremist websites with frequency can now result in a two-year prison term.

France has two national security forces: the General Directorate of National Police (DGPN) and the Directorate General of the National Gendarmerie (DGGN), both subordinate to the Interior Ministry. The DGGN is part of the Defense Ministry but the Interior Ministry manages its policing functions. The DGPN is responsible for civil law enforcement and criminal investigations in cities and large towns and is staffed with approximately 150,000 personnel. The General Directorate of Internal Security (DGSI) combines law enforcement capabilities with domestic intelligence gathering. Since the January 2015 Charlie Hebdo attacks, between 7,000 and 10,000 regular French army forces have been deployed domestically to protect sensitive sites as part of Operation Sentinelle.

In late November, French authorities arrested five individuals – four French citizens in Strasbourg and a Moroccan citizen in Marseille – suspected of planning an attack in or around Paris in early December. The arrests were the culmination of a months-long operation by domestic security agency DGSI.

France finalized an information-sharing arrangement with the United States that has helped systemize the already strong working-level exchange of information related to known or suspected terrorists. Within the EU, France was instrumental in efforts to push through legislation in April requiring use of Passenger Name Record (PNR) information and a June 10

agreement on stricter arms trafficking controls. Currently only used for select flights originating from higher-threat countries, France aims to have full PNR information coverage by mid-2017.

Countering the Financing of Terrorism: France is a member of the Financial Action Task Force (FATF) and has observer or cooperating status in the following FATF-style regional bodies: the Caribbean Financial Action Task Force, the Financial Action Task Force of Latin America, the Asia Pacific Group on Money Laundering, the Eurasian Group on Combating Money Laundering and Financing of Terrorism, and the Middle East and North Africa Financial Task Force. France's financial intelligence unit, Tracfin, is a member of the Egmont Group of Financial Intelligence Units and the Anti-Money Laundering Liaison Committee of the Franc Zone.

The French government announced nine new measures in 2015 to counter terrorist financing, several of which went into effect in 2016. The measures aim to limit the size and availability of anonymous and cash transactions, improve tracking of suspicious transactions, enhance due diligence checks, and bolster the capacity to freeze assets (e.g., by extending covered assets to include vehicles). Details on these measures can be found in French Finance Ministry communiqués from 2015 and 2016.

As of January 1, deposits and withdrawals totaling more than €10,000 (US $10,460) per month are automatically reported to Tracfin. On November 1, Tracfin gained systematic access to France's database of wanted persons, which includes lists of known and suspected terrorists. As of December 1, customs declaration requirements were extended to include any freight shipment of money or securities valued at more than €10,000 (US $10,460) within the EU. In November, Finance Minister Sapin issued a decree to go into effect January 1, 2017 on expanding government authorities to freeze more assets from a wider range of individuals, and constraining the use of anonymous pre-paid cards.

For further information on money laundering and financial crimes, see the *2017 International Narcotics Control Strategy Report (INCSR), Volume II, Money Laundering and Financial Crimes*: http://www.state.gov/j/inl/rls/nrcrpt/index.htm.

Countering Violent Extremism: In May 2016, then-Prime Minister Manuel Valls released a unified Plan of Action Against Terrorism and Radicalization. The report's 80 recommendations to ministries and agencies across the French government address the broad scope of the problem, including improving research into the drivers of radicalization, developing reintegration and rehabilitation centers for radicalized individuals, better securing vulnerable sites, and building national resilience to terrorist attacks.

The Inter-ministerial Committee for the Prevention of Delinquency and Radicalization (CIPDR) is responsible for coordinating the implementation of the French government's Plan of Action. CIPDR expanded access to prevention and reintegration counseling services through a network of government-supported civil society organizations, and aims to double the approximately 2,200 individuals receiving such services by the end of 2017. CIPDR opened the first residential Citizenship and Reintegration Center in late September, and is tasked with opening others in each of mainland France's 13 regions. Separately, the Interior Ministry, which

is responsible for oversight of religious communities, began an effort to reform the organization and financing of France's Islamic institutions. The Foundation for the Islam of France, relaunched in December after more than a decade of dormancy, aims to encourage domestic financing of Islamic institutions and improve the secular-civic education and French language ability of imams working in France. While there is no consensus among government officials, academia, or civil society on a single set of drivers to violent extremism, many cite the lack of credible, influential voices within France's Muslim population capable of directly contesting violent extremist discourse at a local and youth level as a critical gap.

The Ministry of Justice announced a reorganization of its approach to handling radicalization to violence in the French prison system in October. The government will use a two-stage approach. Prisoners suspected of radicalization to violence will undergo a four-month evaluation in one of six dedicated units. The most extreme cases will be sent to "violent prisoner units" where they will receive individualized attention and face stricter detention policies, including increased isolation, regular searches, frequent cell changes, and limited access to personal belongings. Lower-risk prisoners will be redistributed throughout the penitentiary system, but will continue to receive supplementary counseling.

The Prime Minister's office continued a counter-messaging campaign through the website stop-djihadisme.gouv.fr. The campaign deploys survivor's stories, interactive videos, and information on a toll-free hotline so those who believe a friend or relative is at risk of radicalization to violence can call for guidance and support. Five thousand individuals have been flagged for support services or judicial attention since the hotline opened in 2014. France is a core contributor to counter-ISIS coalition messaging efforts.

International and Regional Cooperation: France is a founding member of the Global Counterterrorism Forum. Sworn in in 2013, France's Jean Paul Laborde remained the Executive Director of the UN Counter-Terrorism Executive Directorate. France played a strong role on the UN Security Council 1267/1989/2253 and 1988 Sanctions Committees. France supported the development and implementation of the UN Secretary-General's January 2016 Plan of Action for Preventing Violent Extremism and the G-7 Action Plan on Countering Terrorism and Violent Extremism. The French government undertook joint counterterrorism operations with several EU partners and played an active role in counterterrorism capacity building in other countries, both bilaterally and through the EU. The MFA designated Patrick Maisonnave as its first counterterrorism ambassador-at-large, responsible for coordinating efforts both within the French interagency and with international partners.

GEORGIA

Overview: Georgia, a longstanding member of the Global Coalition to Defeat ISIS, continued its strong engagement with the United States across a range of counterterrorism-related issues and remained a solid U.S. global security partner. In August, Tbilisi City Court convicted ISIS fighter Davit Borchashvili to 12 years in prison for being a member of a terrorist organization and participating in terrorist activities. Georgian authorities continued to work toward greater information sharing with U.S. and regional counterparts on security issues. Georgia also made progress implementing a domestic program to counter violent extremism. Press reports

suggested that, as of late last year, approximately 50 to 100 Georgian nationals were foreign terrorist fighters in Syria and Iraq. Given Georgia's geographic location, Islamist extremists have transited through the country between the Russian Federation's North Caucasus, Iraq, Syria, and Turkey.

Legislation, Law Enforcement, and Border Security: Georgia continued to enhance its counterterrorism legislation in 2016 and now has a substantial legal framework for prosecuting terrorism-related offenses. In line with UN Security Council resolution 2178, the government in 2015 changed its Criminal Code and other relevant legislation to criminalize foreign terrorist fighters and the incitement of terrorist acts. These amendments built on changes to the Criminal Code in 2014 that criminalized participation in international terrorism, recruitment for membership in a terrorist organization, and failing to hinder a terrorist incident.

The State Security Service of Georgia (SSSG) has the lead in handling terrorism-related incidents, and is generally well-equipped and well trained. Overall, the government is largely capable of detecting, deterring, and responding to terrorism incidents. While several ministries and offices share policy-oriented counterterrorism roles, SSSG has taken the lead on actionable facets of counterterrorism since splitting off from the Ministry of Internal Affairs in 2015.

Georgia has improved its overall border security, in part due to its goal of attaining visa-free travel to the European Union. Nonetheless, Georgia's lack of control over the Russian-occupied territories of Abkhazia and South Ossetia, its lack of diplomatic relations with Russia, and the country's harsh terrain limited its ability to secure its borders. Law enforcement uses cameras, terrorist watch-lists, and advance passenger name records to help detect potential terrorist movement at ports of entry; however, more comprehensive biometric and biographic screening at ports of entry and the implementation of standard operating procedures for dealing with suspicious individuals would enhance this capability. With significant U.S. support, the Georgian Coast Guard is better equipped to patrol the country's maritime borders, with the exception of Russian-occupied Abkhazia's coastline. The U.S. government continued to enhance the Georgian government's ability to detect and interdict weapons of mass destruction. Georgia shares cross-border terrorism-related information with its southern neighbors – Armenia, Azerbaijan, and Turkey – through police attachés and working-level interaction at border crossings.

Countering the Financing of Terrorism: Georgia is a member of the Council of Europe's Committee of Experts on the Evaluation of Anti-Money Laundering Measures and the Financing of Terrorism (MONEYVAL), a Financial Action Task Force (FATF)-style regional body. Georgia's financial intelligence unit, the Financial Monitoring Service of Georgia (FMS), is a member of the Egmont Group of Financial Intelligence Units.

Georgia's amendments to terrorist financing legislation to address shortcomings highlighted in MONEYVAL's 2007 evaluation – such as gaps in the terrorist financing offense and poor financial sector supervision – came into force in 2014. The government is currently in the process of implementing an action plan for countering money laundering and terrorist financing to further improve regulations and build capacity. In response to recommendations from MONEYVAL and FATF, the government established the Interagency Commission on

Implementation of UN Security Council resolutions (UNSCRs) to coordinate the government's immediate compliance with UNSCR 1373 and the UN Security Council ISIL (Da'esh) and al-Qa'ida sanctions regime.

For further information on money laundering and financial crimes, see the *2017 International Narcotics Control Strategy Report (INCSR), Volume 2, Money Laundering and Financial Crimes*: http://www.state.gov/j/inl/rls/nrcrpt/index.htm.

Countering Violent Extremism: In 2016, Georgia's continued efforts to prevent radicalization to violence in vulnerable populations remained in the nascent stage. The government continued to direct countering violent extremism (CVE) efforts towards youth in the Pankisi Gorge. The Ministry of Education, for example, worked with local schools in Pankisi to improve Georgian language instruction, civic education, and science classes. The Ministry of Sport and Youth Affairs has improved school gym facilities and set up after-school programs. This past year the Ministry of Sport and Youth Affairs also introduced national comprehensive youth programs that are partly aimed at CVE. For example, the Youth Politics Development Program offers participation in various cultural events and assistance in career services. The Ministry of Corrections introduced various programs nationwide seeking to rehabilitate inmates, who are continually evaluated during the course of their incarceration for signs of radicalization to violence, to prepare them for reentry into civil society. Programs offered included anger-management, countering stress, continuing education, and career services.

International and Regional Cooperation: Georgia is actively engaged on counterterrorism issues at the international, regional, and bilateral levels. Georgia cooperates closely with the North Atlantic Treaty Organization (NATO) and participates in the Defeat-ISIS Coalition and its Foreign Terrorist Fighters Working Group; the Council of Europe Convention on the Suppression of Terrorism and its amending protocol; the Organization of Black Sea Economic Cooperation; and the GUAM (Georgia, Ukraine, Azerbaijan, and Moldova) Organization for Democracy and Economic Development. In 2016, Georgia also participated in the Organization for Security and Cooperation in Europe Counter-Terrorism conference in Berlin.

Georgia remains the largest troop contributor per capita, the largest non-NATO contributor, and the fourth-largest troop overall contributor, after only the United States, Germany, and Italy, to the NATO-led Resolute Support Mission (RSM) in Afghanistan, with more than 870 troops deployed.

GERMANY

Overview: German law enforcement routinely investigated, arrested, and prosecuted numerous terrorist suspects in 2016. Residents of Germany becoming foreign terrorist fighters abroad remained a significant trend and officials estimated at least 880 residents of Germany have departed for Syria and Iraq since 2012 to participate in those conflicts. The majority are believed to have joined violent Islamist extremist groups. Officials believe that 140 of them died in Syria and Iraq, while roughly one-third returned to Germany. German officials actively investigated returnees for any terrorist threat resulting from their experience abroad and possible desire to

continue to support violent extremist causes. Bilateral counterterrorism cooperation with the United States remained excellent.

Germany is a member of the Global Coalition to Defeat ISIS, and although it does not conduct airstrikes, it provided arms, material support, and training to Iraqi Kurdish security forces; AWACs crews, reconnaissance aircraft, and refueling aircraft to support Coalition air operations over Syria and Iraq; and a frigate to defend a French aircraft carrier from which Coalition air operations are launched. Germany implemented UN Security Council resolutions 2178 and 2199, and upheld obligations under the UN Security Council (UNSC) ISIL (Da'esh) and al-Qa'ida sanctions regime. Through legislation that criminalizes terrorist finance as well as foreign terrorist fighter travel, Germany sharpened its previous antiterrorism laws. Germany is a founding member of the Global Counterterrorism Forum (GCTF) and supported the GCTF good practices on foreign terrorist fighters. Domestically, the German government has increased its enforcement efforts to prevent, interdict, and counter foreign terrorist fighter travel and voiced support for strengthening European Union (EU) and Schengen measures. In May, Germany and the United States signed an arrangement to exchange information on known or suspected terrorists. In November, the Bundestag (parliament) approved the 2016 budget with increased spending on law enforcement and domestic counterterrorism intelligence efforts.

2016 Terrorist Incidents:

- On February 26 in Hannover, a Moroccan-German teenage girl stabbed a police officer in the neck, inflicting grievous bodily harm. Prosecutors described her actions as inspired and ordered by ISIS. Upon conviction, authorities imposed a six-year prison sentence.
- On April 16, three German teenage boys bombed the Sikh Temple in Essen, North Rhine-Westphalia, injuring three people attending a wedding party. Authorities charged the main perpetrator, along with his two accomplices, with attempted murder, causing grievous bodily harm, and detonating an explosive. Essen police later told media that the attackers had links with Islamist extremists in northwest Germany.
- On July 18, a 17-year-old Afghan refugee attacked passengers on a commuter train near Ochsenfurt, Bavaria with a knife and an axe, reportedly shouting "Allahu Akbar," and injuring five people before he was fatally shot by the police. Bavarian Minister Herrmann confirmed that the attacker traveled unaccompanied to Germany, sought asylum, and lived in Ochsenfurt with a foster family for two years. A hand-painted ISIS flag was found in the attacker's room and ISIS claimed responsibility for this attack via social media**.**
- On July 24, a 27-year-old Syrian asylum seeker injured 12 people (three seriously) in an Ansbach (west-central Bavaria) suicide mission by reportedly detonating an explosive device in his backpack. The perpetrator had tried to enter an open-air music festival immediately before, but was denied entry. Bavarian Interior Minister Herrmann said the suspect (who had attempted suicide on two previous occasions) arrived in Germany in 2014, received permission to remain in Germany after his asylum claim was rejected in 2016, and had spent time in a psychiatric clinic. ISIS claimed responsibility for the attack.
- On December 19, an attacker killed a truck driver, took control of his large truck, and then drove it into a Christmas market in Central Berlin, killing 12 people and injuring at least 50 people. On December 20, ISIS claimed the attack was perpetrated by "a soldier

of the Islamic State" through its propaganda outlet, *Amaq*. Although the main perpetrator, Anis Amri, was shot and killed in Italy while fleeing Germany shortly after the attack, German authorities continue the investigation and have arrested several other individuals in connection with the attack.

Legislation, Law Enforcement, and Border Security: The German government continued to apply its comprehensive counterterrorism legislation, which criminalizes membership in, or support for, domestic and foreign terrorist organizations. The Criminal Code prohibits a range of terrorism-related preparatory actions, including actual or attempted departure from Germany to participate in terrorist training, acquiring weapons or explosives with the intent to commit attacks, and terrorist finance.

On July 29, Germany adopted additional counterterrorism legislation ("Improving Information Exchange to Combat International Terrorism"), which authorizes the Federal Police to operate undercover agents for both law enforcement purposes and the protection of public safety; expands data exchanges with foreign intelligence services; authorizes the domestic intelligence service (BfV) to establish and operate joint databases with foreign partners; increases control and monitoring of communications using prepaid mobile phones; and lowers the of age of suspects which the BfV is allowed to track and collect data on from 16 years to 14 years.

Germany does not record all entries to or exits from the country; however, it systematically checks all non-EU citizens arriving at airports and is working to institute systematic Schengen border checks of EU citizens. Biometric data is not screened at entry, although Germany participates in the EU Smart Border pilot. Germany only collects fingerprints from Schengen visa holders, which are screened against the EU's Visa Information System. All arriving and departing passengers' passports are manually checked against the INTERPOL Stolen and Lost Travel Document Data Base.

Data on suspected terrorists is shared between federal and state law enforcement agencies. German passports and other identity documents incorporate strong security features, but data privacy concerns contribute to German reticence to expand travel analysis systems. Collection and retention of Advance Passenger Information for traveler screening is limited to high threat routes. Germany does not currently use Passenger Name Record (PNR) analysis, but following approval of a new EU-wide PNR Directive is drafting PNR legislation and developing a PNR system.

Numerous arrests, prosecutions, and trials in 2016 focused on terrorism, and the Federal Ministry of Justice estimated there were approximately 500 ongoing terrorist cases as of late September with the Federal Prosecutor's Office. Prominent and legally significant cases (that were ongoing at the end of 2016, unless otherwise indicated) included:

- On July 5, the Federal Public Prosecutor General (GBA) [*Generalbundesanwalt*] attained an arrest warrant against a 20-year-old Algerian national and suspected ISIS member, suspected of supplying information to Abdelhamid Abaaoud, who planned the November 2015 Paris attacks. He was allegedly trained by ISIS in late 2014, and tasked by Abaaoud in June 2015 to provide information regarding border controls, waiting

times, and entry and exit points along the Balkan route during the migrant crisis. In June to August 2015, he allegedly traveled to Syria via Austria, Greece, Hungary, Serbia, and Turkey, where he informed Abaaoud about those borders before entering Germany. The suspect is also believed to have been in contact with Ayoub el Khazzani, who shot at passengers on a train between Amsterdam and Paris in August 2015.

- On September 13, more than 200 federal and state police (on behalf of the GBA) arrested and searched the homes of three Syrian nationals who allegedly entered Germany in November 2015 (via Greece and Turkey) with the intention of carrying out a previously determined order from ISIS. One is believed to have received training from ISIS in Raqqa, Syria. Prosecutors assert that ISIS provided passports, cash in U.S. dollars "in a high four-figure sum," and mobile phones pre-loaded with a communications program.
- On October 10 in Leipzig, federal police arrested a Syrian asylum grantee for possession of a large amount of explosives, similar to those used in the 2015 Brussels and Paris attacks. Police alleged that he planned to attack a Berlin airport. Police arrested, as an accessory, another Syrian who had ordered bomb-making items online.
- In November, the Federal Ministry of Interior (MOI) banned the organization "*The True Religion"* and its Quran distribution activities as an extremist, anti-constitutional organization seeking to incite violence. In March, police and security services in several states carried out concurrent raids and investigations, and charged at least 140 activists who had traveled abroad to join terrorist groups.
- On December 7, Germany initiated a trial in Essen, North Rhine-Westphalia against three suspects allegedly responsible for a bomb attack on the Essen Sikh Temple in April. The main perpetrator and his accomplices, all minors, are charged with attempted murder, grievous bodily harm, and detonating an explosive.

Countering the Financing of Terrorism: Germany is a member of the Financial Action Task Force (FATF), and is an observer to numerous FATF-style regional bodies. Germany's financial intelligence unit, the Financial Intelligence Service, is a member of the Egmont Group of Financial Intelligence Units. German institutions filed 29,108 (compared to 25,054 in 2014) suspicious transaction reports in 2015 (the latest figures available), 615 thereof for suspected terrorist financing, up sharply from 2014 (323). The German government has submitted draft legislation to the Bundestag that would move the FIU from the Federal Police to the Ministry of Finance and expand its mandate to allow for better communication with the private sector and in-depth analytical work on terrorist finance risks.

For further information on money laundering and financial crimes, see the *2017 International Narcotics Control Strategy Report (INCSR), Volume II, Money Laundering and Financial Crimes*: http://www.state.gov/j/inl/rls/nrcrpt/index.htm.

Countering Violent Extremism: Germany has numerous programs to counter violent extremism (CVE) at both the state and federal levels. On July 13, Federal Interior Minister de Maizière and Federal Family Minister Schwesig presented the federal government's first comprehensive strategy against violent extremism which aims to better coordinate and evaluate the approximately 700 existing partner programs and organizations receiving federal funding. The MOI budget for CVE projects doubled from six to 12 million euros annually in 2016, and the Family Ministry's "Live Democracy program" budget will double to 100 million

euros for 2017, up from 50 million per year in 2015-2016. These two Federal Ministries, together with their state-level counterparts, formed a working group to ensure coordination and more effective support for CVE efforts. The working group meets regularly to compile and disseminate information and best practices.

The Federal Ministry of the Interior continued its counter-radicalization assistance center for concerned parents and friends of violent extremists, operated by the Federal Office for Migration and Refugees. The center was established in January 2012 and has expanded to include a nationwide telephone hotline. Clients are referred to a region-specific advising partner.

The Federal States of Bavaria, Berlin, and Hesse operated state-level counseling and de-radicalization programs implemented by the non-governmental organization, "Violence Prevention Network," focused on counseling for families of radicalizing or radicalized individuals and for the individuals themselves. Violence Prevention Network also implemented CVE programs in prisons in these states.

Augsburg, Bavaria, and Dresden, Saxony, are members of the Strong Cities Network.

International and Regional Cooperation: As a founding member of the GCTF, Germany supported its capacity-building projects and continued to participate in various multilateral counterterrorism initiatives. German cooperation with regional and international organizations on counterterrorism includes the United Nations, EU, the Organization for Economic Cooperation and Development, the Organization for Security and Cooperation in Europe, the North Atlantic Treaty Organization, the Council of Europe, the G-7, the Global Initiative to Combat Nuclear Terrorism, and INTERPOL. Germany is a founding member of the GCTF-inspired International Institute for Justice and the Rule of Law. Germany advocated strongly within the EU for improved counterterrorism and border security efforts.

GREECE

Overview: In 2016, the Greek government remained a cooperative counterterrorism partner. Senior Greek government leaders have emphasized that counterterrorism is one of their top priorities. In 2016, Greece experienced intermittent small-scale attacks such as improvised explosive device detonations by domestic terrorist groups, although slightly fewer than in the past two years. Generally, these attacks did not appear aimed to inflict bodily harm, but rather sought to make a political statement. The MFA quickly condemned foreign acts of terrorism such as the Brussels attack in March 2016 and has strongly condemned the actions of ISIS. Greece is a member of the Global Coalition to Defeat ISIS and is implementing UN Security Council resolutions 2178, 2199, and the UN Security Council ISIL (Da'esh) and al-Qa'ida sanctions regime.

2016 Terrorist Incidents: Greece's two largest cities, Athens and Thessaloniki, experienced a few small-scale attacks conducted primarily by domestic terrorist organizations, which targeted government officials as well as a European Embassy.

- On October 11, a bomb was planted on the car of a Korydallos Prison guard parked outside his home overnight. The explosion destroyed the car, although nobody was injured in the blast. No one claimed responsibility for the attack.
- On October 12, a bomb exploded on the sidewalk near the apartment building where Appeals Court Prosecutor Georgia Tsatani resides. The terrorist group Conspiracy of Nuclei Fire claimed responsibility on October 13 and stated that the Prosecutor was the target. Advance warning was given and police evacuated the area; there were no injuries.
- On November 10, two individuals threw a grenade at the French Embassy, injuring a Hellenic Police officer guarding the embassy. A little-known group, the "Organization Revolutionary Self-Defense," claimed responsibility for the attack four days later. Hellenic Police, however, are exploring whether various other domestic terrorist groups may have been involved.
- On December 12, an individual provided advance warning that a bomb had been placed at the Ministry of Labor in downtown Athens. Hellenic Police conducted a controlled detonation of the device in the early hours of the morning. Nobody has claimed responsibility for planting the bomb and no one was injured.

Legislation, Law Enforcement, and Border Security: Article 187A of the Greek penal code codifies the terrorism statute. In addition, Article 28 (1) of the Greek Constitution subjects Greek citizens to applicable international laws, to include those related to terrorism. Article 28 (2) and (3) subjects Greek citizens to applicable European Union (EU) Laws, including the EU law against terrorism. The Police Directorate for Countering Special Violent Crimes (DAEEV) is responsible for counterterrorism in Greece. DAEEV attracts highly motivated and educated young police officers. This unit has demonstrated a high capacity to collect information, but it lacks capacity to use the volume of data it collects and to share with other services within the Greek police and Coast Guard.

Greece's national ID card is extremely vulnerable to alteration and photo substitution, and it has not incorporated security features, such as a digitized photo and biometrics. To mitigate this vulnerability, police authorities instituted a system in 2015 for conducting electronic checks of civil registry databases to confirm documents submitted as part of the application for ID issuance and checks of national ID databases for passport issuance. The government has further committed to address this vulnerability through the introduction of a biometric national ID.

The porous nature of Greece's borders remained of serious concern, particularly as Greece continued to be challenged by the refugee and migration crisis. Six of the attackers involved in the Paris and Brussels attacks were subsequently identified as having passed through Greece. Greece came under intense scrutiny from EU member states, with some Schengen members reinstating border controls until Greece corrects deficiencies in its external border management. To help address vulnerabilities, in May and June, DHS and its component agencies provided a series of trainings to bolster Greek border security efforts. The U.S. Transportation Security Administration provided Insider Threat awareness training and U.S. Customs Border Protection and U.S. Immigration and Customs Enforcement (ICE) provided traveler screening trainings to more than 100 airport employees, airline officials, and police. ICE also provided training on advanced Fraudulent Document Analysis for investigations to more than 25 Hellenic Police, Hellenic Coast Guard, and Customs officials.

Countering the Financing of Terrorism: Greece is a member of the Financial Action Task Force, and its financial intelligence unit – the Hellenic Anti-Money Laundering and Anti-Terrorist financing Commission (HAMLC) – is a member of the Egmont Group of Financial Intelligence Units. The Foreign Ministry's Sanctions Monitoring Unit is tasked with ensuring that Greece meets its commitments to enforce international sanctions, including terrorism-related sanctions. The HAMLC, which is essentially an autonomous institution, although nominally under the oversight of the Ministry of Finance, inspected more than 2,530 suspicious transactions through November 20, 2016, but did not report evidence of terrorist financing in Greece.

In Greece, terrorist assets remain frozen until the completion of judicial proceedings when a court decision is rendered. Non-profit organizations are not obliged to file suspicious transaction reports; however, all banks – through which these organizations conduct transactions – are legally obliged to report suspicious transactions of any kind, regardless of the type of entity (for- or not-for-profit), and the government may directly monitor such entities if necessary.

FBI trainers provided a terrorism finance training seminar in March 2016 for approximately 20 officers from the Hellenic Police, Hellenic Coast Guard, and Financial Intelligence Unit.

For further information on money laundering and financial crimes, see the *2017 International Narcotics Control Strategy Report (INCSR), Volume II, Money Laundering and Financial Crimes*: http://www.state.gov/j/inl/rls/nrcrpt/index.htm.

Countering Violent Extremism: Greek Foreign Minister Kotzias has steadily and publicly voiced support for countering ISIS and condemned its actions. Greece is sensitive to the dangers of radicalization to violence and engages regional partners on the matter. This summer the Hellenic Police through the Center for Security Studies, and with 75 percent EU funding support, organized training on radicalization to violence for police, prison wardens and guards, and customs officers and immigration officials. The training program involved a total of 130 officials from Alexandropoli, Athens, and Thessaloniki, and from the islands of Chios and Lesvos, which have seen the majority of arriving migrants and refugees over the last year.

International and Regional Cooperation: Greece engaged constructively on counterterrorism initiatives in international fora and regularly participated in regional information exchange and seminars through such bodies as the United Nations, the EU, the Organization for Security and Cooperation in Europe, the Southeast European Law Enforcement Center for Combating Trans-Border Crime, and the Organization of the Black Sea Economic Cooperation. Greece participated in international and regional trainings geared to bolster criminal justice efforts to prevent and respond to terrorism.

IRELAND

Overview: The United States and Ireland worked reasonably well in bilateral and regional counterterrorism, law enforcement, and information sharing efforts. An Garda Síochána (the local and national police service of Ireland, referred to as Garda in this report) has

comprehensive law enforcement, immigration, investigative, intelligence, and counterterrorism responsibilities.

In 2016, dissident republican groups, sometimes referred to as criminal terrorist groups by the Irish Department of Justice, perpetrated acts of violence in neighboring Northern Ireland. Authorities traced some violent acts committed in Northern Ireland by members of dissident groups to support to persons living in Ireland. Attacks were often directed at Northern Ireland's law enforcement personnel and security structures to disrupt ongoing post-peace process community rehabilitation efforts. Irish authorities worked to address these legacy issues stemming from "The Troubles" and were actively involved in dealing with transnational terrorism issues. Major Garda successes in disrupting the activities of such groups and infighting between dissident factions appeared to have diminished the threat of domestic terrorism.

Ireland is a member of the Global Coalition to Defeat ISIS.

Legislation, Law Enforcement, and Border Security: The Criminal Justice Act of 2015 created three offenses relating to preparatory terrorist activities: public provocation to commit a terrorist offense, recruitment, and training. The legislative bill transposed into Irish law a European Union (EU) Council Framework Decision on counterterrorism. The Act specifically recognizes that terrorist-linked activities may be committed electronically. Upon conviction, such offenses would carry prison sentences of up to 10 years.

Law enforcement units have effectively demonstrated their capacity to detect, deter, and respond to terrorist incidents. The Garda Special Branch provides specialized law enforcement capability and has primary responsibility for counterterrorism response, with the military performing specific functions when requested by the civil authorities. The Irish Defense Ministry's 2015 "White Paper on Defense" outlines Ireland's defense policy framework for the next decade, aimed at addressing increased security challenges. It featured a streamlined response to terrorism with the Government Taskforce on Emergency Planning reviewing terrorism threat assessments received from Garda.

Irish law provides for a non-jury Special Criminal Court (SCC) when the Director of Public Prosecutions certifies a case to be beyond the capabilities of an ordinary court.

No successful terrorist attacks occurred in 2016. Nevertheless, the bomb squad mobilized 86 times due to possible improvised explosive device (IED) incidents, 14 of which involved viable IEDs that Irish Army Explosive Ordnance Disposal (EOD) technicians rendered safe. Statistics for 2016 mark a 39 percent mobilization decrease and a 65 percent reduction in viable IEDs over the prior year.

Ireland worked closely with the United Kingdom (UK) on border security, including sharing biographic and biometric information. The Irish Naturalization and Immigration Services in conjunction with Dublin Airport Authority uses automated border control gates for some flights at Dublin Airport. These electronic gates allow certain categories of arriving passengers holding a passport with an electronic chip, which contains the holder's facial image, to clear immigration controls through electronic self-service means. The Government of Ireland was active in

highlighting the need to share Passenger Name Records (PNR) on EU flights. Ireland is working to implement the EU Directive on the processing of PNR data, which will require the establishment of relevant domestic legislation that outlines the measures to establish and operate a PNR processing system.

Countering the Financing of Terrorism: Ireland is a member of the Financial Action Task Force (FATF), and its financial intelligence unit, the Bureau of Fraud Investigation, is a member of the Egmont Group of Financial Intelligence Units. Over the past five years, Ireland has made significant improvements to improve regulations on supervision of the financial sector and non-financial service providers. Ireland has yet to transpose the fourth EU Money Laundering Directive into Irish law.

In 2016, law enforcement authorities continued to monitor non-profit organizations for the purpose of monitoring breaches of criminal law; however, Ireland had still not fully implemented the Charities Act of 2009, which regulates the activities of charities and non-profit organizations.

The July 2016 enactment of the Proceeds of Crime Act 2016 provides Criminal Assets Bureau (CAB) officers with the power to seize property for 24 hours that they suspect to be the proceeds of crime. The Chief Bureau Officer can authorize its detention for a further 21 days. This allows CAB to prepare an application to the High Court for an interim restraining order and prevent the disposal or dissipation of the property in the meantime.

For further information on money laundering and financial crimes, see the *2017 International Narcotics Control Strategy Report (INCSR), Volume II, Money Laundering and Financial Crimes*: http://www.state.gov/j/inl/rls/nrcrpt/index.htm.

Countering Violent Extremism: The Government of Ireland's efforts to counter violent extremism focused on integrating minority groups and new arrivals into Irish society. These measures included providing social benefits, language training, health care, and the proactive advocacy work of an Ombudsman's Office in the affairs of immigrants. The Garda Racial Intercultural and Diversity Office (GRIDO) coordinates, monitors, and advises on all aspects of policing in the area of ethnic and cultural diversity with a view towards building long-term trust with communities. Through this office, police officers are provided with special training to assist at-risk populations. GRIDO delivered anti-radicalization training to national police members in the context of Community Policing/Preventing Radicalization.

The Irish government pursued its countering violent extremism (CVE) strategy primarily through the Ethnic Liaison Officer program of the Garda. These officers liaise with representatives of the various minority communities in an area, and establish communication links with each community. They support integration by involving members of ethnic minority communities in Garda and community social events.

Ireland supports the United Nations Secretary-General's *Plan of Action to Prevent Violent Extremism*.

International and Regional Cooperation: Ireland works closely with the UK in securing the Common Travel Area, an open borders area comprising Ireland, the United Kingdom of Great Britain and Northern Ireland, the Isle of Man, and the Channel Islands. The introduction of the British-Irish visa required the sharing of biometric and other information, and resulted in a more integrated system for checking travelers. Ireland actively participated in a range of meetings and actions at the Council of the European Union and the United Nations to address counterterrorism. In addition to counterterrorism capacity building overseas, Ireland also cooperated on counterterrorism efforts with Northern Ireland.

ITALY

Overview: Italy aggressively investigated and prosecuted terrorist suspects and dismantled suspected terrorist-related cells within its borders. It also implemented counterterrorism legislation adopted in 2015 aimed at identifying, decreasing, and disrupting the recruitment and flow of foreign terrorist fighters. Criminal and low-level terrorist acts (incendiary devices and small improvised explosive devices by domestic anarchist groups remained a threat. Italy maintained a high level of professional cooperation with the United States and international partners in all areas, including terrorist information sharing and Global Coalition to Defeat ISIS efforts.

Italy was an important Defeat-ISIS Coalition partner. Italy maintained the second-largest number of troops deployed to Iraq, leading the Coalition's efforts to train Iraqi police and security forces. Approximately 500 Italian troops provided site security for workers with Italian engineering firm Trevi, engaged in critical repair work on the Mosul Dam. Italy also contributed aerial intelligence, surveillance, and reconnaissance and re-fueling capabilities from Kuwait in support of the Coalition. Italy continued to co-chair the Coalition's Counter-ISIS Finance Group with the United States and Saudi Arabia to enhance information sharing and develop coordinated countermeasures to disrupt ISIS financing.

2016 Terrorist Incidents:

- On June 7, the European Food Safety Authority in Parma received a package with explosive material, which a local bomb squad destroyed. According to police, the package contained a small amount of a powdered explosive material that was enough to maim.
- On November 27, an explosion of two gas canisters in front of a *Carabinieri* police station in Bologna led to the December 10 arrest of a French anarchist, Cedric René Michel Tatoueix. Investigators suspect the attack was perpetrated by three anarchist groups active in the Bologna area.

Legislation, Law Enforcement, and Border Security: The Italian government made use of reinforced counterterrorism legislation enacted in 2015 that improved the existing legislative and regulatory instruments available to the Italian police and armed forces for anticipating, preventing, and countering acts of terrorism. Italy also continued to make use of 2005 legislation that facilitated the detention of terrorist suspects and expedited procedures for expelling non-citizens suspected of endangering national security. In 2016, Italy appointed a Coordinator of the Office of Anti-Terrorism Investigation, a new coordination position created inside the

Ministry of Justice (MOJ) National Anti-Mafia and Anti-Terrorism Directorate, which was established under the 2015 counterterrorism law.

Italian law enforcement remained advanced in its capacity to detect and deter terrorist activity, links, and associations within Italy. Italy's long history of countering both organized crime and radical ideological movements has given it a strong legacy in fighting internal threats to security. Authorities are leveraging those capabilities to counter terrorist recruitment, radicalization to violence, and networking. The police (specifically the Central Directorate of the Prevention Police, or DCPP), ROS *Carabinieri* (the investigative unit of the gendarmerie), *Guardia di Finanza* (financial police), other specialized law enforcement agencies, and the intelligence services coordinate their counterterrorism efforts and meet on a regular and systematic basis to review terrorist threats and share information. The Minister of Interior has the authority to swiftly expel non-citizens for "seriously disturbing public order, endangering national security, or religious discrimination," even if insufficient evidence exists to prosecute the individual. Italy used this authority to expel more than 60 individuals in 2016.

Among other provisions, Italy's 2015 counterterrorism law criminalized the organization, financing, or promotion of travel for the purpose of performing acts of terrorism and made it a crime to take part in a conflict in a foreign territory in support of a terrorist organization, implementing UN Security Council resolution 2178. Italy maintained its readiness to enhance measures quickly to counter threats against civil aviation. The MOI worked with the U.S. Transportation Security Administration (TSA) to enhance local implementing procedures covering the Federal Air Marshal (FAM) program.

Italy strongly supported the passage of a European Union (EU) Passenger Name Records (PNR) Directive. Parliament in November 2016 adopted a "delegated law" on the PNR directive; the government is drafting the implementing decree laws. Italy also consulted U.S. Customs and Border Protection regarding development of a Passenger Information Unit and the use of the U.S. Automated Targeting System-Global (ATS-G) for screening passengers using API and PNR data under the EU PNR Directive.

Italy received approximately 180,000 asylum-seekers and economic migrants in 2016, mostly from sub-Saharan Africa and crossing the Mediterranean Sea from Libya. According to MOI and international organization contacts, Italian authorities successfully screened more than 90 percent of new arrivals against the European Criminal Records Information System (ECRIS) and the Italian Investigation System (SDI), which feed into the Schengen Information System and the Italian Automated Fingerprint Identification System (AFIS) databank. These databases, in turn, feed into the European Dactyloscopy (EURODAC) database.

Significant law enforcement actions included:

- On August 13, the Interior Minister expelled Hosni Hachemi Ben Hassen, a Tunisian imam of the Andria mosque, arrested in April 2013 together with four other Tunisians suspected of being members of an Islamist terrorist cell. The expulsion occurred after the Court of Cassation cleared Ben Hassen of international terrorism charges (while upholding his hate crimes conviction). According to Italian authorities, between 2008

and 2010, Ben Hassen's group had collected instructions on how to construct explosive devices, received training on the use of firearms, and tried to recruit and indoctrinate foreign terrorist fighters to send abroad.

- On December 19, a Milan court convicted in absentia Maria Giulia 'Fatima' Sergio, an Italian who left for Syria to fight for ISIS in 2014, to nine years in prison for international terrorism. Authorities believe Sergio is still in Syria with her Albanian husband, Aldo Kobuzi, who was sentenced to 10 years as part of the same ruling. The court also sentenced Canadian national Bushra Haik – who grew up in Bologna – to nine years in prison for recruiting and indoctrinating Sergio, and sentenced Sergio's father, Sergio Sergio – arrested in Italy in July 2015 as he and his wife Assunta (who died three months later) attempted to leave Italy for Syria – to four years in prison for the crime of organizing terrorist travel. The court's in-absentia conviction of Haik, Kobuzi, and Sergio was the first by an Italian court under Italy's 2015 counterterrorism law of foreign terrorist fighters in an overseas combat zone.
- On December 23 around 3:00 a.m. local time during a spot check outside of Milan's Sesto San Giovanni train station, Milan police shot dead Tunisian terrorist suspect Anis Amri, allegedly responsible for the December 19 attack on a Berlin Christmas market. When asked for his documents, Amri reportedly pulled out a gun and shot at an officer, hitting him in the shoulder (the officer survived). Agents then fired back, killing the suspect.

In 2016, Italy did not have the infrastructure to screen all international seaport arrivals, although it heightened security on maritime routes. Italy has the infrastructure to screen all international airport arrivals, including against the INTERPOL Lost and Stolen Travel Document Database, but authorities do not always do so in practice.

Countering the Financing of Terrorism: Italy is a member of the Financial Action Task Force (FATF) and is an observer in the Eurasian Group on Combating Money Laundering and Financing of Terrorism (EAG), a FATF-style regional body. The Financial Intelligence Unit for Italy is a member of the Egmont Group of Financial Intelligence Units. Italy co-chairs, with the United States and Saudi Arabia, the Coalition's Counter-ISIS Finance Group, a group of 36 states and multilateral bodies created in 2015 to enhance information sharing and coordinate countermeasures to disrupt ISIS financing.

Italy's 2016 FATF evaluation assesses the legal framework to counter the financing of terrorism to be mature and sophisticated, noting some shortcomings in financial sector oversight. Italy's government criminalizes terrorist financing in accordance with international standards, monitors and regulates money/value transfer and other remittance services, and requires the collection of Know Your Customer data for wire transfers. Italy does not require non-profit organizations to submit suspicious transaction reports. Nonetheless, reporting entities are required to consider the specific money laundering and terrorist financing risks when entering into a relationship or carrying out transactions that involve non-profit organizations.

Italy's 2015 counterterrorism law provides for a sentence of five to eight years for those found guilty of organizing, financing, or advocating travel abroad for the purposes of carrying out terrorist acts. It also seeks to ensure greater communication on such cases between financial

institutions, law enforcement, and the judicial system. The Italian judiciary and *Guardia di Finanza* continued to identify and freeze the assets of sanctioned individuals and organizations and to prosecute terrorist financing cases. Pursuant to UN Security Council resolution 1267, Italy has frozen to date approximately US $110,000 in assets in relation to 53 transactions/accounts and 38 persons/entities, through counterterrorist financing sanctions. In addition, Italy carried out several counterterrorist finance operations and prevented international money transfers to terrorist groups.

For further information on money laundering and financial crimes, see the *2017 International Narcotics Control Strategy Report (INCSR), Volume II, Money Laundering and Financial Crimes*: http://www.state.gov/j/inl/rls/nrcrpt/index.htm.

Countering Violent Extremism: Italy has a long history of countering organized crime and radical ideological movements. The Ministry of Justice's Prison Police continued counter-radicalization programs initiated in 2015 that included places of worship and providing cultural mediators within prisons. In August 2016, the Ministry of Justice (MOJ) announced that 345 inmates were under active monitoring, of which only 39 had been convicted or charged with terrorist crimes. According to the MOJ, in addition to the inmates already convicted of or charged with terrorist crimes, 114 monitored inmates were considered at "high risk" of radicalization to violence and 99 had demonstrated "appreciation" for the 2016 terrorist attacks in Brussels, Dhaka, and Paris. The government has not published a formal Countering Violent Extremism (CVE) Action Plan, but established a commission in September 2016 to study radicalization to violence and extremism, with the objective of recommending preventative measures in 2017.

To counter terrorist propaganda quickly, Italy has the capacity to swiftly expel non-citizen residents espousing extremist sentiments. While radicalization to violence and recruitment to terrorist violence has not been widespread in Italy, some religious groups promote a radical interpretation of their faith, which, along with deteriorated economic conditions in the peripheral neighborhoods of Italy's largest cities, limits integration and potentially could contribute to future radicalization to violence.

Regional and International Cooperation: Italy is a founding member of the Global Counterterrorism Forum and actively participates in its work, including the Hedayah Center. Italy also supported counterterrorism efforts through the G-7 Roma-Lyon Group, the Organization for Security and Cooperation in Europe, the North Atlantic Treaty Organization, the United Nations, and the EU. Italy leads the Iraqi police training mission within the Defeat-ISIS Coalition and co-leads, with Saudi Arabia and the United States, the Coalition's Counter-ISIS Finance Group. Italy was an active participant in White House CVE Summit-related activities, and the city of Palermo serves on the Strong Cities Network steering committee and participates in two of the network's working groups: Group 1 on Counter-Narratives and Local Communications, and Group 2 on Refugees and Internal Displacement.

KOSOVO

Overview: The threat of violent Islamist extremism has been growing in Kosovo, assisted in part by funding from foreign organizations that preach extremist ideologies and violent extremist groups actively using social media to spread propaganda and recruit followers. Approximately 315 foreign terrorist fighters from Kosovo have traveled to Syria and Iraq to fight for ISIS or al-Nusrah Front (al-Qa'ida's affiliate in Syria), of which approximately 58 have been killed. The Government of Kosovo is implementing a comprehensive strategy and action plan for countering violent extremism (CVE). The Kosovo Police (KP) Counterterrorism Directorate is enhancing its investigative capacities by increasing personnel and developing a cyber-counterterrorism unit.

The Kosovo government continued counterterrorism cooperation with the United States. The United States assisted law enforcement and judicial institutions on active counterterrorism cases.

Because the security and political situation in northern Kosovo continued to limit the government's ability to exercise full authority in that region, the NATO Kosovo Force (KFOR) and European Union (EU) Rule of Law Mission (EULEX) worked with the KP to maintain a safe and secure environment and strengthen the rule of law, including at the borders. Although Kosovo and neighboring Serbia do not usually cooperate on counterterrorism issues, the governments have had an Integrated Border Management plan since 2013 and have participated in joint U.S.-sponsored training.

Kosovo is a member of the Global Coalition to Defeat ISIS and has taken steps to support the various lines of effort within the limits of its capabilities. It has primarily focused on stemming the flow of foreign terrorist fighters and tracking and restricting financing for terrorist groups. Kosovo is not a member of the United Nations (UN); however, the Government of Kosovo has pledged to implement UN Security Council resolution 2178 unilaterally.

2016 Terrorist Incidents: On August 4, unknown assailants fired a rocket-propelled grenade at the parliament building. There were no casualties, but the explosion caused some material damage.

Legislation, Law Enforcement, and Border Security: Kosovo has a comprehensive legal framework that covers all criminal aspects related to terrorism. The Criminal Code of Kosovo criminalizes all forms of terrorism, including commission, assistance, facilitation, recruitment, training, and incitement to commit terrorism. It also criminalizes concealment or failure to report terrorists or terrorist groups, organization and participation in terrorist groups, and preparation of terrorist offenses against the constitutional order and the security of the state of Kosovo. It defines a terrorist group as a structured group of more than two persons, established over a period of time and acting in concert to commit terrorism. In addition, the Criminal Procedure Code provides authorities with all the necessary powers to investigate and prosecute such cases, including sanctioning the use of covert measures. It further gives authorities flexibility to investigate criminal activity during the planning stage to prevent terrorist acts. The Procedural Code also allows Kosovo courts to admit evidence from other countries, thus allowing prosecution of international terrorism in Kosovo. This framework provides authorities

with the tools necessary to fight any form of terrorism. Kosovo law also criminalizes joining a foreign army, police, or paramilitary formation in armed conflicts outside the territory of Kosovo. A conviction on these charges carries a penalty of up to 15 years imprisonment.

Law enforcement authorities increased their capacity to handle terrorism cases and share information across agencies, although challenges remain. The KP Counterterrorism Directorate, which is responsible for counterterrorism investigations, has resource constraints that inhibit its ability to track suspects. The law provides the Special Prosecution Office, which is composed of local and international staff, with exclusive jurisdiction over terrorism cases. Prosecutors have made considerable improvements in the past year in dealing with terrorism-related cases. The Department of State supported programs with the Department of Justice to mentor Kosovo law enforcement and prosecutors. Kosovo is a member of the Regional Arms Control Verification and Implementation Assistance Centre, a southeastern European organization that focuses on security-related issues, including terrorism. Representatives from Kosovo attended EU and U.S.-sponsored training activities and conferences on counterterrorism-related topics.

Kosovo has issued biometric travel and identity documents since 2013. All major border crossing points, including Pristina International Airport, are equipped with computerized fraudulent/altered document identification equipment, for which a database is updated regularly with information from other countries. The Kosovo Border Police's (KBP) regularly updated STOP/WATCH list of persons suspected of connections to terrorism or criminal activities had more than 1,700 hits in 2015; however, the electronic Border Management System does not interface with INTERPOL and does not always function properly. Kosovo is not a member of the United Nations, INTERPOL, or Europol; the UN Interim Administration Mission in Kosovo and EULEX serve as Kosovo's intermediaries with these organizations, slowing down cooperation and preventing Kosovo from having direct access to their watchlists. Kosovo applied for INTERPOL membership, but INTERPOL as of November has suspended all pending applications indefinitely. The KBP and Directorate against Terrorism use biometric equipment to enroll suspicious individuals who may be affiliated with terrorism. The Law on Border Control obliges airlines to submit Advance Passenger Information/Airline Passenger Name Record data to Kosovo; the KBP has been using this information. In 2016, the KBP, in cooperation with regional countries and Turkey, identified and blocked at least five persons from traveling to Syria and one citizen was arrested upon his return from a conflict zone; however, at least five individuals successfully transited to Syria. With U.S. assistance, KBP is revising its curricula used to train border officers to focus more on early identification of persons affiliated with terrorism. The Department of State's Antiterrorism Assistance (ATA) program supported Kosovo participation in a series of border security-related courses aimed at addressing foreign terrorist fighter travel.

In addition to the ATA program, the United States provided training opportunities on various aspects of counterterrorism and CVE, through the Export Control and Related Border Security program (EXBS), the DOJ's International Criminal Investigative Training Assistance Program (ICITAP), the DOJ's Office of Overseas Prosecutorial Development, Assistance and Training (OPDAT), and the Office of Defense Cooperation (ODC).

Trials are ongoing for several of the 59 suspects arrested in August 2014 during the government of Kosovo's largest counterterrorism operation to date. Investigations are ongoing against a dozen other individuals, including several imams. During 2016, Kosovo authorities arrested 32 individuals on terrorism-related charges, including 18 in November. Authorities also secured several high-profile convictions, including the sentencing of seven citizens to 42 years imprisonment on terrorism charges in May, and five individuals to 49 years imprisonment for ISIS involvement in July. Additionally, the Ministry of Public Administration suspended the activities of 21 NGOs suspected of supporting violent extremism.

Kosovo demonstrated political will to address threats related to terrorism, and the state possesses the legal framework to do so. National institutions also strengthened the capacity of their investigative and prosecutorial elements, but limited capacity, resources, and experience continued to limit their ability to handle terrorism cases more effectively.

Countering the Financing of Terrorism: Kosovo is not a member of the Financial Action Task Force (FATF) or any FATF-style regional bodies. In 2016, the Kosovo financial intelligence unit worked towards becoming a member of the Egmont Group of Financial Intelligence Units. Kosovo has a Law on the Prevention of Money Laundering and Terrorist financing, modeled after international anti-money laundering and counterterrorist finance standards. This law also established enforcement mechanisms for the examination of reporting entities and narrowly defines terrorist financing. Kosovo has not yet successfully prosecuted a terrorist financing case or identified any frozen assets of sanctioned individuals and organizations.

Kosovo has not consistently frozen and confiscated assets without delay. A prosecutor may only freeze bank accounts for 72 hours, during which time the pre-trial judge is obliged to approve or reject the freezing order. Under a judge's temporary order, assets may be frozen for 30 days, but owners may dispute asset freezes. Kosovo monitors and regulates money/value transfer and other remittance services. Kosovo requires the collection of Know Your Customer data for wire transfers. Because Kosovo is not a member of the FATF network, we are unable to assess how well this framework is implemented or meets the international standard.

Kosovo's FIU distributes the UN Security Council ISIL (Da'esh) and al-Qa'ida sanctions list to financial institutions and publishes the direct link to the UN list on its web page.

For further information on money laundering and financial crimes, see the *2017 International Narcotics Control Strategy Report (INCSR), Volume II, Money Laundering and Financial Crimes*: http://www.state.gov/j/inl/rls/nrcrpt/index.htm.

Countering Violent Extremism: One of the main objectives in the government's CVE strategy is the prevention of violent extremism and radicalization to violence. This includes raising awareness of radicalization among community stakeholders and building their capacity to fight it. The Ministry of Internal Affairs is piloting a referral mechanism in the municipality of Gjilan that will bring together local officials, religious leaders, and civil society to address community concerns of radicalization to violence. Kosovo's CVE strategy includes the preparation and promotion of counter-narratives to weaken the legitimacy of violent extremist messages. The

strategy also includes a section on de-radicalization and the reintegration of radicalized persons. The goals include helping radicalized individuals abandon violent extremist ideology, assessing risks posed by individuals returning from foreign conflicts, and raising awareness within the correctional system on the risks posed by imprisoned terrorists.

The 2015 CVE Strategy and Action Plan provide a five-year roadmap for stemming the growing threat of violent extremism through a whole-of-government approach, emphasizing the critical role of local stakeholders and civil society. Thus far, implementation has been uneven across government ministries; a lack of capacity and an insufficient budget remained challenges. The Global Community Engagement and Resilience Fund designated US $2.5 million in funding for Kosovo that could significantly bolster the government's capacity to implement its CVE Action Plan.

International and Regional Cooperation: Kosovo's membership in many regional and international organizations, including the UN, has been blocked by countries that do not recognize its independence. Lack of membership and non-recognition impedes cooperation on many issues, including counterterrorism.

MACEDONIA

Overview: Macedonia conducted three significant counterterrorism operations in 2016, one of which was in coordination with authorities in Albania and Kosovo, leading to the arrest of 23 people in Albania, Kosovo, and Macedonia. Macedonia cooperated with U.S. counterterrorism efforts, demonstrating its strong commitment to the Global Coalition to Defeat ISIS.

The government approved a National Counterterrorism Strategy in March. The strategy has a section dedicated to the prevention of violent extremism (PVE), but there is no separate National Strategy to Counter/Prevent Violent Extremism. The government drafted a National Counterterrorism Action Plan and submitted it to the European Commission in November for review. The Action Plan lacks implementation designations, funding estimates, and monitoring and evaluation controls.

Macedonian authorities assess that ISIS members and sympathizers maintained a presence in Macedonia.

Legislation, Law Enforcement, and Border Security: Macedonia's laws contain comprehensive counterterrorism provisions that prohibit domestic and international acts of terrorism. The country's counterterrorism law includes a provision criminalizing civilian participation in foreign conflicts. Specifically, Article 322-a of the Criminal Code requires a five-year minimum prison sentence for participation in a foreign military or paramilitary force, or recruiting, training, or transporting fighters.

Macedonia's capacity to detect and deter acts of terrorism without international support needs to be strengthened. Specifically, police need training in command and control, tactical planning and execution, casualty care, and messaging. Notwithstanding, Macedonia successfully executed

arrest and search warrants against foreign terrorist fighters and would-be foreign terrorist fighters; it also coordinated with regional partners to disrupt terrorist attack plans and to arrest Macedonian citizens attempting to join ISIS. Prosecutors secured prison sentences against foreign terrorist fighters primarily through plea agreements. Macedonian prosecutors have yet to bring a case to trial against a foreign terrorist fighter or supporter.

Within the Ministry of Interior (MOI), the Administration for Security and Counter-Intelligence takes the lead on counterterrorism detection and intelligence gathering, and works with the Bureau of Public Security's Department of Organized and Serious Crime to detain suspects. The Prosecutor's Office at the Ministry of Justice manages questioning and prosecuting of the arrested terrorist suspect.

A *Joint Combined Exchange Training* with U.S. Special Forces took place in March to improve Macedonia's ability to protect soft targets. Macedonian authorities at the MOI reported that they developed operational plans to prevent and respond to terrorist attacks on soft targets including stadiums, hotels, etc. Additionally, an international counterterrorism exercise in September brought together multiple agencies from the United States and Macedonia to review Macedonia's preparedness and response capacities.

Macedonia Border Police use INTERPOL and Europol watch lists that are regularly updated and they have biometric screening capability. The Border Police also share and receive information through alerts via the Joint Contact Centers with neighboring countries (Albania, Bulgaria, and Kosovo) and INTERPOL. In response to the influx of migrants, the European Union (EU) and Balkan countries regularly send border police detachments to assist in securing Macedonia's southern border.

Border authorities worked with European and U.S. partners to develop information-sharing protocols and upgrade the Personal Identification Secure Comparison and Evaluation System (PISCES) border management system, improving its capacity to respond to the migration crisis and stem the flow of foreign terrorist fighters returning from conflict zones.

Macedonia engaged in three law enforcement actions against terrorists:

- On July 9, Macedonian authorities carried out simultaneous search warrants at seven locations and arrested four individuals (a fifth individual turned himself in later on July 25), charging them under counterterrorism laws, in an operation called Operation Cell 2.
- In August, authorities worked with regional partners in Turkey to arrest and extradite five citizens of Macedonia who were seeking to join ISIS in Syria.
- In November, Macedonia coordinated with regional partners in Albania and Kosovo to arrest 23 suspected terrorists who were planning a terrorist attack on a large stadium in Albania during a World Cup qualifying soccer match between Albania and Israel.

In February, the trial began for 29 individuals charged with terrorism and planning to form a terrorist group, and eight others for providing logistical support in the May 2015 armed clash with police in Kumanovo. The trial continued through 2016.

A months-long political crisis in Macedonia inhibited decisive action by the government to address deficiencies in law enforcement and border security, including shortages in personnel and equipment. The Bureau of Public Security worked with U.S. authorities to address corruption among border officials, resource constraints, training gaps for border police officers, and issues related to the border management system, Personal Identification Secure Comparison and Evaluation System (PISCES).

Countering the Financing of Terrorism: Macedonia is a member of the Council of Europe's Committee of Experts on the Evaluation of Anti-Money Laundering Measures and the Financing of Terrorism, a Financial Action Task Force (FATF)-style regional body. Macedonia's financial intelligence unit (FIU), the Money Laundering Prevention Directorate (MLPD), is a member of the Egmont Group of Financial Intelligence Units. In 2016, the MLPD received three suspicious transaction reports for terrorist financing, but no criminal charges were filed.

Major deficiencies in Macedonia's anti-money laundering/countering the financing of terrorism legal framework remain, including insufficient criminalization of terrorist financing and no clear mechanisms to implement UN measures. In addition, an overly complicated confiscation regime that remains conviction-based hindered effective freezing and confiscation of terrorist assets. Macedonia has an agency for the management of seized and forfeited assets, but the agency has limited capacity and activity, and needs additional training.

For further information on money laundering and financial crimes, see the *2017 International Narcotics Control Strategy Report (INCSR), Volume II, Money Laundering and Financial Crimes*: http://www.state.gov/j/inl/rls/nrcrpt/index.htm.

Countering Violent Extremism: Macedonia has a national inter-ministerial Working Group on Counterterrorism (CTWG), which also oversees efforts to counter violent extremism, headed by a coordinator. The coordinator departed the post in the spring of 2016, and consequently, the CTWG has not effectively advanced government action and cooperation to counter or prevent violent extremism, in line with the recommendations of the UN Secretary-General's Preventing Violent Extremism Plan of Action.

The government has no official study on the drivers of violent extremism in Macedonia. Analytica, a local think tank, published a report in October funded by the United States titled, "Assessment of Macedonia's Efforts in Countering Violent Extremism." Based on initial studies, the drivers of extremism in Macedonia encompass similar factors as those driving global extremism, although somewhat compounded by the real and perceived marginalization of the ethnic Albanian population in Macedonia.

The Islamic Community of Macedonia launched countering violent extremism (CVE) training for imams in November, but thus far has only trained 20 imams. The international community held one meeting in November to discuss planned CVE assessments and programs.

International and Regional Cooperation: Macedonia is a willing partner both regionally and internationally on counterterrorism. Macedonia increasingly took advantage of the established framework of cooperation on counter terrorism with its neighbors, especially Albania and

Kosovo. In June, former Minister of Interior Mitko Chavkov attended a conference in Bosnia and Herzegovina on regional cooperation in border security with representatives from Frontex, Europol, and Interior Ministers from Southeastern Europe. In July, Macedonia attended a regional conference in Montenegro to discuss counterterrorism and foreign terrorist fighter issues; the following month, Macedonia hosted a working-level conference with the same regional partners. Representatives from the Ministries of Foreign Affairs from Greece and Macedonia met in Skopje in November, with experts from relevant national institutions to discuss topics including police cooperation, response to security threats, and collaboration on EU programs. Also in November, Macedonia participated in an international counterterrorism tabletop exercise designed to illustrate whole-of-government coordination, collaboration, information sharing, and integrated counterterrorism planning.

Macedonia is also a member of the Organization for Security and Cooperation in Europe (OSCE) and hosted an OSCE-implemented workshop in September for criminal justice that brought together judges, prosecutors, and investigators from across the region to strengthen national capabilities and sustain inter-regional counterterrorism responses.

THE NETHERLANDS

Overview: The Netherlands continued to respond effectively to the global terrorist threat in the areas of border and transportation security, counterterrorist financing, countering violent extremism (CVE), and bilateral and multilateral counterterrorism cooperation. In its March 2013 quarterly terrorism threat assessment, the Office of the National Coordinator for Security and Counterterrorism (NCTV) raised the national threat level from “limited” to “substantial” (the second highest rank), where it has remained throughout 2016. In 2014, the Dutch government released a *Comprehensive Action Program to Combat Jihadism* (Action Program) with measures to halt the flow of foreign terrorist fighters to Syria and elsewhere. The plan focused on risk reduction, travel intervention, disruption of recruiters, countering radicalization to violence, addressing the use of social media, and information exchange and cooperation. In September 2016, the government announced an additional increase of US $10.5 million in structural counterterrorism spending in 2017, which will grow to US $23 million by 2019.

The Netherlands is implementing UN Security Council resolution (UNSCR) 2178 to prevent potential foreign terrorist fighters from leaving the country. The government has pursued criminal cases against prospective and returned foreign terrorist fighters and against foreign terrorist fighter recruiters. The government has a multi-agency strategy to counter radicalization to violence, which focuses on community involvement at the local level.

The Netherlands is a member of the Global Coalition to Defeat ISIS, and has liaisons embedded in U.S. Central Command, at various operational command centers, and at the Strategic Communications Cell. In 2016, the Netherlands conducted air strikes in Iraq and Syria, provided force protection of coalition partners, and contributed military personnel and trainers in Iraq. The Netherlands and Turkey co-chair the Coalition’s Foreign Terrorist Fighters Working Group.

2016 Terrorist Incidents: On February 27, five men in Enschede threw Molotov cocktails at a local mosque while people were inside; a passerby was able to extinguish the fire before anyone

was hurt. The court convicted the men of arson with terrorist intent. Each suspect was sentenced to four years in prison. This case was the first instance in which prosecutors used terrorism statutes to charge perpetrators for a right-wing terrorism attack.

Legislation, Law Enforcement, and Border Security: The Netherlands continued to use counterterrorism legislation and legislative supplements to the criminal code to address terrorism. On April 1, legislation entered into force that allows the government to strip Dutch nationality from dual nationals convicted on the charge of "preparing to commit a terrorist act." On June 1, legislation entered into force to limit the availability of chemical precursors for explosives. Under this law, private individuals can no longer purchase precursors without a license and companies have to report suspicious transactions, disappearances, and thefts. Government agencies working on counterterrorism include: NCTV; the national police; the prosecutor's office; local governments; the General Intelligence and Security Service (AIVD); and the Ministries of Security and Justice, Interior and Kingdom Relations, Foreign Affairs, Social Affairs and Employment, and Defense.

A reorganization of the national police to improve operational capacity and effectiveness has been underway since 2013 and is scheduled to be completed in 2018. The government prioritizes community policing and the first-line role of local police officers. Within the national police organization, the Central Criminal Investigations Service is the specialized counterterrorism unit. The National Prosecutor's Office also has dedicated counterterrorism prosecutors.

The Netherlands has continued to strengthen its border security. Dutch ports of entry have biographic and biometric screening capabilities. The government coordinates and freely shares information related to foreign terrorist fighters with INTERPOL and Europol. Authorities share information about individual travelers through the Schengen Information System 2, the Visa Information System, and the system for fingerprints of asylum seekers and illegal immigrants (EURODAC). The Netherlands collects Advance Passenger Information data for flights coming from selected points of embarkation outside the European Union (EU). The Netherlands is also working towards implementation of the EU Passenger Name Record (PNR) Directive.

The Netherlands remains committed to effective cooperation with the United States on border security. The Port of Rotterdam was the first European port to participate in the Container Security Initiative.

Significant law enforcement actions related to counterterrorism included:

- On March 27, authorities in Rotterdam arrested a French suspect identified as Anis B. Police found 45 kilos of ammunition in the suspect's apartment. French authorities had a warrant for his arrest for participation in a terrorist organization. The Dutch government extradited Anis B. to France on August 4.
- On July 13, a Dutch woman appeared on Kurdish television, saying she had escaped from ISIS with the help of the Peshmerga. She claimed her Palestinian-German husband had forced her and her children to depart for the Middle East. Shortly after her appearance on television, however, doubts emerged about her story. Upon her return to the Netherlands,

the Dutch police interviewed her and placed her under arrest. At year's end, she remained under detention pending further investigation.

- On December 9, Dutch authorities announced they had arrested a 30-year-old Rotterdam resident, Jaouad A., on suspicion of preparing to commit an act of terrorism. Authorities found an AK-47 and two ammunition magazines, along with highly explosive fireworks, an ISIS flag, several cell phones, and €1,600 (US $1,680) in cash in his residence.

Countering the Financing of Terrorism: The Netherlands is a member of the Financial Action Task Force (FATF), and is one of the Cooperating and Supporting Nations of the Caribbean Financial Action Task Force, an FATF-style regional body. The Financial Intelligence Unit – Nederland (FIU-Netherland) is a member of the Egmont Group of Financial Intelligence Units. At the end of 2016, the Netherlands was working to implement the Fourth EU Money Laundering Directive. The Netherlands has worked to designate terrorist organizations and individuals, as well as to interdict and freeze assets. The Netherlands also participated in the counterterrorist financing working group of the Defeat-ISIS Coalition.

Dutch authorities monitor financial transactions and freeze the assets of persons on terrorist watchlists. While the Dutch implement UN Security Council 1267 listings under EU regulations, they also do so under their own national laws, which immediately freeze assets when an individual or entity is listed at the United Nations (UN). The government publishes the list of individuals or entities in its official journal, but keeps private the information on the amount of assets frozen or seized. As of December 2016, the government had frozen the assets of 89 individuals and three organizations. On March 16, a district court convicted a man for sending nearly US $17,750 to his brother who was fighting in Syria. The suspect used money transfer services to transfer the funds overseas.

Non-profit organizations are not required to file reports about suspicious transactions but may choose to apply to a private entity for a "seal of approval" certification for their financial transactions. Law enforcement can access this entity's data bases with a court order. The FATF concluded that the requirements to obtain this "seal of approval" are stringent. These requirements include knowing donors and beneficiaries and having safeguards to make sure directors and employees do not have a conflict of interests.

For further information on money laundering and financial crimes, see the *2017 International Narcotics Control Strategy Report (INCSR), Volume II, Money Laundering and Financial Crimes*: http://www.state.gov/j/inl/rls/nrcrpt/index.htm.

Countering Violent Extremism: The national government's *Comprehensive Action Program to Combat Jihadism*, released in August 2014, contains measures to strengthen communities, build resilience to radicalization, and prevent persons from becoming foreign terrorist fighters.

According to Dutch government-funded research projects on the drivers of violent extremism in the Netherlands, feelings of economic or social isolation can create a breeding ground that leaves people vulnerable to radicalization to violence. When these factors are combined with a "trigger," such as the death of a loved one or an altercation with authorities, a person can become radicalized to violence.

The Dutch government uses a multi-disciplinary approach to countering violent extremism (CVE) and develops individually tailored plans of action to provide intervention for individuals suspected of adhering to (or being susceptible to) violent extremism. Local governments, with the support of NCTV, work in close cooperation with the police, public prosecutor, social workers, child protective services, educators, and community leaders to develop and implement their plans. This approach prioritizes the use of preventive measures, including mentoring, counseling, and access to job training programs and other social services to steer individuals away from becoming radicalized to violence. Similar programs also rehabilitate former violent extremists. Under this model, the government generally views repressive measures, including arrest and prosecution, as steps to take only when preventive measures have failed. Returned foreign terrorist fighters undergo a threat assessment by the government; some returnees are prosecuted.

Dutch authorities and communities have shared their experiences with U.S. counterparts, including through a CVE city exchange program between Arnhem and Phoenix. On December 22, the national government announced its intent to invest more than US $6.5 million in 18 local governments for tailor-made programs to prevent and counter radicalization to violence.

The Ministry of Social Affairs and Employment also has a Social Stability Expertise Unit, which is a team of experts who provide advice to local governments and communities on problems related to violent extremism. The government also runs a Family Support Unit, which assists parents and family members of radicalized individuals, and an Exit Facility, which offers a "way out" for extremists who want to reintegrate into society.

International and Regional Cooperation: The Netherlands participates in the United Nations, Global Counterterrorism Forum (GCTF), EU, the Council of Europe, the Organization for Security and Cooperation in Europe, and the North Atlantic Treaty Organization. As holder of the EU Presidency in the first half of 2016, the Netherlands pushed for the adoption of the Road Map to enhance information exchange between EU member states. As co-chair of GCTF, the Netherlands hosts the GCTF Administrative Unit. With Morocco, the Netherlands chairs the GCTF Working Group on Foreign Terrorist Fighters. The Netherlands has dedicated GCTF officers at four embassies. The Netherlands is on the governing board of the three GCTF-inspired institutions: the International Center of Excellence for Countering Violent Extremism (Hedayah) in Abu Dhabi, the International Institute for Justice and the Rule of Law in Malta, and the Global Community Engagement and Resilience Fund in Switzerland. The Netherlands also participates in the Global Initiative to Combat Nuclear Terrorism.

In international cooperation, the Netherlands prioritized CVE, stemming the flow of foreign terrorist fighters, and countering terrorist financing. The Dutch Ministry of Foreign Affairs appointed regional security coordinators at six embassies, who are dedicated to CVE. The Netherlands continued to finance a wide variety of capacity building projects, such as Free Press Unlimited and the Center on Global Counterterrorism Cooperation's program on rule of law and criminal justice capacity and cooperation in North Africa. The Dutch government continued to work with the International Centre for Counterterrorism, based in The Hague. On September 21,

the Netherlands announced an additional US $2.6 million for international projects to counter terrorism and radicalization to violence in local communities where radicalization to violence is a major problem, such as in Mali.

NORWAY

Overview: Norway's internal security service continued to assess that Islamist terrorism remains the primary threat to the security of Norway, although they note that concerns of right-wing extremism are growing. A small but outspoken group of violent Islamist extremists in and around Oslo remained active in online fora, although they did not conduct any attacks. In 2016, authorities convicted several Norwegians for supporting or aiding ISIS. The flow of Norwegian citizens or residents who traveled to Syria to fight on behalf of ISIS decreased in 2016 to less than a handful of known cases, and Police Security Service (PST) officials continued to assess publicly that approximately 100 individuals have traveled as foreign terrorist fighters in total. Norway and the United States maintained good collaboration on counterterrorism.

Norway is a member of the Global Coalition to Defeat ISIS. The government co-sponsored UN Security Council resolution 2178 on foreign terrorist fighters, and is contributing to the Coalition's five lines of effort. Norway contributes to two military missions in the Coalition: approximately 60 military personnel are deployed to Jordan as part of Operation Inherent Resolve, and approximately 50 military trainers are in a capacity-building mission for Iraqi security forces in Erbil. Norway provided approximately US $332 million in 2016 to address the humanitarian crises in Iraq and Syria.

Legislation, Law Enforcement, and Border Security: Terrorism is a criminal offense in Norway. In 2013, Norway changed its laws to make it easier to prosecute cases of material support for terrorism. In addition to increasing maximum prison sentences to 30 years for serious terrorism offenses, the 2013 laws make it illegal to conduct or plan to conduct a terrorist attack, receive terrorism-related training, or provide material support to a terrorist organization. In June 2016, Norway passed new legislation criminalizing traveling, as well as the intent to travel, to fight on behalf of a non-state actor.

The PST is responsible for domestic security, including counterterrorism activities. A joint analysis cell, the Joint Counter Terrorism Center, with participants from the PST and the Norwegian Intelligence Service (NIS), which is the external security service, became fully operational in 2014. Both the PST and the NIS have devoted significant resources to identifying, tracking, and taking action against Norwegian citizens intending to travel to and from Syria and Iraq to engage in fighting. The PST and NIS maintain an evolving list of those who have traveled to Syria and Iraq, those who have returned, and those who have expressed an interest in traveling to the two countries.

Parliament approved an agreement on the sharing of fingerprint information in criminal investigations with the European Union (EU), the parties to the Pruem Convention, as well as with the United States under the Preventing and Combating Serious Crimes (PCSC) data-sharing agreement, in May 2016. In September 2016, Norway hosted an FBI Criminal Justice

Information Systems technical team to agree on steps for the implementation of the PCSC agreement. Norway continued to explore an agreement on sharing passenger name recognition (PNR) data with the EU, and is simultaneously developing a national PNR system. In November 2016, Norwegian police piloted an automated biometric identification system (ABIS), which officials aim to implement nationally in the first quarter of 2017. Immigration to Norway is facilitated and regulated by the Norwegian Directorate of Immigration (UDI), which processes all applications for asylum, visas, family immigration, work and study permits, permanent residence, and travel documents. In 2016, citizenship issues were regulated by the newly created Minister of Immigration and Integration. The Norwegian police and the MFA issue passports.

Norway previously faced legal and technical barriers in stemming the flow of foreign terrorist fighters, including that Norway cannot revoke or permanently hold a citizen's passport for expressing support for a terrorist group (or expressing an interest to travel to Syria and Iraq), or return an asylum-seeker who expresses support for a terrorist group to an area with ongoing conflict. The legislation criminalizing fighting on behalf of non-state groups, which was passed in June 2016, should rectify the situation.

Since enacting the 2013 counterterrorism laws, the Norwegian authorities have convicted several individuals of support for terrorist groups and causes.

Countering the Financing of Terrorism: Norway is a member of the Financial Action Task Force (FATF). Norway's financial intelligence unit (FIU), The National Authority for the Investigation and Prosecution of Economic and Environmental Crime – The Money Laundering Unit, is a member of the Egmont Group of Financial Intelligence Units.

Norwegian law aims to incorporate FATF standards and recommendations, but faces challenges in effective implementation, particularly regarding implementing UN-targeted financial sanctions without delay. Norway continues to increase its efforts to counter terrorist financing and in 2016, Norway joined the Defeat-ISIS Coalition working group to counter terrorist financing. The government also continued to operate a domestic interagency group, which included the Ministries of Justice, Finance, and Foreign Affairs, to counter money laundering and the financing of terrorism.

For further information on money laundering and financial crimes, see the *2017 International Narcotics Control Strategy Report (INCSR), Volume II, Money Laundering and Financial Crimes*: http://www.state.gov/j/inl/rls/nrcrpt/index.htm.

Countering Violent Extremism: Norwegian Prime Minister Solberg hosted an event on the margins of the UN General Assembly in September 2016 that focused on the gender dimensions of preventing and countering violent extremism. At the event, the prime minister formally launched the Women's Alliance for Security Leadership. Norway continued to support the Youth Civil Activism Network (YouthCAN) and Strong Cities Network (SCN). Two Norwegian cities, Oslo and Kristiansand, are members of the SCN.

Norway continued to implement its national Action Plan against Radicalization and Violent Extremism, published in June 2014, which is a whole-of-government approach to countering

violent extremism (CVE). Priorities include strengthening research on CVE, improving national and local cooperation on counter-radicalization efforts, helping to promote reintegration of former violent extremists, and preventing recruitment and radicalization to violence online. The prime minister encouraged municipal authorities to implement CVE efforts at the local level. Several municipalities around Oslo fjord, which PST assesses are the most vulnerable to radicalization to violence, have increased their CVE efforts, including passing CVE action plans and increasing budgets for CVE and counter-radicalization activities.

Regional and International Cooperation: Norway is active in multilateral fora in efforts to counter terrorism, including the North Atlantic Treaty Organization, the Organization for Security and Cooperation in Europe, and the EU's Radicalization Awareness Network. Although not a member, Norway has been an active participant in the Global Counterterrorism Forum (GCTF). Through the GCTF, Norway has implemented several new projects in the areas of counterterrorism and CVE. In 2016, Norway worked actively to garner UN member state support for the UN Preventing Violent Extremism Plan of Action. Norway continued its support to the UN Counter-Terrorism Implementation Task Force. The Norwegian government provided support to The Prevention Project, which focuses on localized interventions that address the underlying drivers of violent extremism.

RUSSIA

Overview: The Russian Federation continued to prioritize counterterrorism efforts in 2016, and Russia remained a target of international terrorist groups, particularly ISIS. The majority of counterterrorism activities conducted in 2016 targeted armed groups in the Russian North Caucasus, but government officials noted Russia has encountered increased ISIS-related activity in their law enforcement activities throughout the country following ISIS's August call to jihad within Russia.

In 2016, Moscow cited the threat posed by terrorists to justify its ongoing military intervention in Syria and the passage of far-reaching, "anti-extremism" legislation. As of June, the Russian government estimated 3,500 Russian citizens were fighting for ISIS in Syria and Iraq. Russia also continued to pursue counterterrorism cooperation with foreign partners, and expressed a desire to work with the United States to address terrorist threats. Despite rhetorical emphasis on operations against ISIS and al-Nusrah Front (al-Qa'ida's affiliate in Syria), the great majority of Russian airstrikes in Syria targeted the moderate opposition.

Russia's counterterrorism focus also included the activities of the Imarat Kavkaz (Caucasus Emirate), Hizb ut-Tahrir – which Russia considers a terrorist organization, but the United States does not – and Aum Shinrikyo, which Russia's Supreme Court banned in September.

ISIL-Caucasus Province (ISIL-CP) has remained largely inactive, except for two claimed attacks in 2015. In December 2016, Russian security forces announced they killed ISIL-CP leader Rustam Aselderov and four other militants in Dagestan; a successor had not been named at the end of 2016.

2016 Terrorist Incidents: Few high-profile terrorist attacks were conducted within Russia in 2016, although the assassination of Russia's ambassador to Turkey in December underscored the threat to Russian personnel and interests overseas. Domestic attacks did not display a high degree of planning or sophistication and typically involved a provoked encounter with law enforcement. Attacks included:

- In an August 17 attack later claimed by ISIS, two men attacked policemen with guns and axes at a traffic checkpoint in a Moscow suburb. Both of the attackers were killed by police and one policeman was seriously injured.
- On October 23, Russian authorities in Nizhny Novgorod killed two suspected terrorists who resisted inspection of their vehicle; a third suspect was reportedly arrested. ISIS later claimed responsibility for the would-be attackers and claimed the two men were "soldiers of the Islamic State."
- On December 17, alleged ISIS-affiliated militants in Grozny, Chechnya stabbed a police officer and used his weapon and a stolen car to kill three policemen. The attackers were allegedly recruited and commanded by a Syria-based ISIS commander and online videos showed several of the attackers pledging allegiance to ISIS. In counterterrorism raids on December 18, Chechen forces claimed to have killed seven of the suspects and captured four others.
- On December 19, Russia's Ambassador to Turkey, attending the opening of an art exhibit in Ankara, was assassinated by an off-duty police officer who denounced Moscow's military activity in Syria. Russian and Turkish authorities announced a joint commission to investigate the assassination.

Legislation, Law Enforcement, and Border Security: Russia has a comprehensive counterterrorism legal framework that includes the provisions of the Criminal Code and various federal laws including, "On Countering Terrorism," "On Money Laundering and Terrorist financing," "On Countering Extremist Activity," "On Security on Transport," and "On Security in the Fuel and Energy Complex." Throughout 2016, however, the Russian government continued to use its "anti-extremism" legislation to prosecute peaceful individuals and organizations, including the political opposition, independent media, and certain religious minorities. In July 2016, Russia adopted the so-called "Yarovaya Package" of amendments, which grants authorities broad additional powers, ostensibly to counter terrorism and extremism. It criminalizes acts such as failing to report terrorist-related crimes and justifying terrorism on social media and requires telecommunications companies to retain data to aid future law enforcement investigations. While the law's stated purpose is to help counter extremism, almost all of the applications observed in 2016 targeted the unsanctioned religious activities of minority Christian denominations.

A law in the Chechen Republic requires relatives of terrorists to pay the cost of damages caused by an attack, which human rights advocates criticized as collective punishment. The Memorial Human Rights Center reported that Chechen Republic authorities upheld the principle of collective responsibility in punishing the relatives of alleged members of illegal armed groups. The Memorial Human Rights Center and Caucasian Knot reported that, following an armed attack by two militants on a checkpoint in the village of Alkhan-Kala in Grozny's rural district in May, the homes of the attackers' families were set on fire.

Russia maintains several large, professional, and relatively well-funded security services that are focused on countering terrorism. The FSB is the primary agency responsible for domestic counterterrorism activities, but the Ministry of Interior (MVD) and newly created National Guard also play a role. The National Guard force was formed with troops from MVD and other armed personnel in April, and is officially charged with combating terrorism, extremism, and helping to secure Russia's borders. Some political commentators, however, have speculated it is intended to protect against domestic unrest. In October, a presidential decree stipulated that the National Guard will maintain the national fingerprint database. The FSB International Cooperation Directorate, through a joint relationship with the National Antiterrorism Committee (NAC), has developed the "International Counterterrorism Database," which holds both an unclassified and a restricted section. The FSB exclusively maintains and controls this database – which it promotes as the only international database that adheres to UN Security Council resolution 2178 – but it has invited international intelligence and law enforcement agencies to contribute information on events, subjects, organizations, and methods.

Despite an intense focus on counterterrorism, Russia's security services are challenged by the task of securing Russia's 12,000 miles of land border and more than 23,000 miles of coastline. Border crossings, particularly on the frontiers between Russia and some former Soviet republics, may not be registered. Given that Russia maintains a robust operational pace in North Caucasus (against ISIL-CP), many of Russia's 2016 counterterrorism operations targeted Central Asian migrant workers. While border guards have the capability of collecting biometrics at ports of entry and there are standard operating procedures for information sharing, it is unclear how often these procedures are followed. A traveler to Russia must receive a visa from the Ministry of Foreign Affairs, be permitted entry by the FSB through the Border Guard Service, and then be registered with the Directorate for Migration Affairs, which in April was converted from an autonomous organization to a division of the MVD. Citizens of Commonwealth of Independent States (CIS) countries may enter Russia for up to 90 days without registration with the MVD.

During 2016, Russian officials announced steps to improve border security. In November, Russia's Deputy Interior Minister announced that all foreigners arriving in Russia will be fingerprinted as of January 2017. In June, President Putin announced that Russia would create a federal information system for registering biometric data and effective operational intelligence, although it is unclear if and when the project will come into effect.

Terrorism-related law enforcement activities continued in 2016. The majority of operations occurred in the North Caucasus regions of Chechnya, Dagestan, and Ingushetia, but several high-profile cases took place in major Russian cities. Significant events included:

- On February 7, the FSB arrested seven alleged ISIS members in Yekaterinburg. Officials commented the suspects were both Russian and Central Asian and were arrested before they could carry out planned attacks in Moscow, St. Petersburg, and the Sverdlovsk region of Russia.
- On October 7, the FSB killed six militants during an operation in the Nazran district of Ingushetia. Authorities said they had been tipped off that the militants were plotting to

stage terrorist attacks and announced that Zabairi Sautiyev, an ISIS emissary who arrived from Syria "to resume terrorist activity in the republic," was among those killed.

- On November 12, the FSB, working in collaboration with Tajik and Kyrgyz authorities, arrested 10 Central Asian migrants for plotting terrorist attacks in Moscow and St. Petersburg. All suspects reportedly confessed to having had contact with ISIS.
- On December 3, the FSB killed Rustam Aselderov, aka Abu Muhamad al-Kadari, in an operation in Makhachkala, the capital of Dagestan. Aselderov was the leader of ISIS's Caucasus branch and had been linked to several terrorist attacks within Russia over the past several years.

Russia also continued to prosecute alleged terrorists and those accused of supporting terrorism. On November 11, a court in Kazan, the capital of the Muslim-majority Republic of Tatarstan, added 77 individuals to a wanted list for pursuing jihad in Syria. In July, authorities placed Imam Makhmud Velitov of Moscow's Yardyam mosque under house arrest after he was charged with "public calls for terrorist activities or public justification of terrorism" after giving a sermon in support of Hizb ut-Tahrir in September 2013. If convicted, Velitov faces a sentence between two to five years.

Despite the tensions in the overall bilateral relationship with the United States, Russian security services have engaged in a limited amount of cooperation on counterterrorism matters. Russia continued to disseminate threat information and occasionally responded to requests for information, although its responses were often not substantive or timely. The Russian government continued to cooperate with the U.S. Federal Bureau of Investigation's (FBI) investigation of subjects associated with the Boston Marathon bombing. Both the FSB and Investigative Committee requested information from the FBI pertaining to the downing of the Russian charter plane in Egypt in October 2015. The FSB requested the FBI's assistance regarding security preparations for the 2018 FIFA World Cup.

There were no known legal constraints to effective Russian law enforcement and border security related to counterterrorism, although ethnic or clan ties in certain regions can make policing and prosecutions difficult. Important cases are often moved to Moscow or other regions to ensure a judge is not influenced by a clan.

Countering the Financing of Terrorism: Russia is a member of the Financial Action Task Force (FATF) and two FATF-style regional bodies: the Council of Europe's Committee of Experts on the Evaluation of Anti-Money Laundering Measures and the Financing of Terrorism, and the Eurasian Group on Combating Money Laundering and Financing of Terrorism (EAG), in which it is a leading member and primary funding source. Through the EAG, Russia provides technical assistance and other resources towards improving legislative and regulatory frameworks and operational capabilities. Russia's financial intelligence unit (FIU), the Federal Service for Financial Monitoring (Rosfinmonitoring), is a member of the Egmont Group of Financial Intelligence Units. Rosfinmonitoring is overseen by the President of Russia.

The highest levels of the Russian government support counterterrorist finance initiatives, and in November 2015, Russian President Vladimir Putin signed an executive order to establish an interagency commission on preventing the financing of terrorism. Since then, its organization,

activities, and reporting appear to be focused at the municipal level. At the end of 2016, Rosfinmonitoring continued its efforts to move forward a draft bill to ratify the 2005 Council of Europe Convention on Laundering, Search, Seizure, and Confiscation of the Proceeds from Crime and on the Financing of Terrorism (aka the "Warsaw Convention").

The most current data on investigations and convictions of terrorist financing is from 2015. In that year, the Russian government conducted more than 7,700 financial investigations, which included more than 3,500 persons suspected of involvement in international terrorist organizations, including ISIS. In 2015, the list maintained by Rosfinmonitoring of natural and legal persons tied to extremist activities or terrorism expanded, resulting in the freezing of 3,019 accounts totaling approximately US $610,000. As of November 9, 2016, this list included 7,245 individuals and legal entities: 6,659 individuals and 79 legal entities within Russia, and 413 foreign individuals and 94 foreign legal entities.

Russia has oversight of the financial sector to reduce persistently high capital outflows and fictitious transactions which puts pressure on smaller financial institutions most likely to engage in money laundering and terrorist financing. The primary regulator is the Central Bank of Russia, which has revoked a large number of banking licenses over the past few years, often citing the presence of dubious transactions.

For further information on money laundering and financial crimes, see the *2017 International Narcotics Control Strategy Report (INCSR), Volume II, Money Laundering and Financial Crimes*: http://www.state.gov/j/inl/rls/nrcrpt/index.htm.

Countering Violent Extremism: Despite adopting a countering violent extremism strategy in November 2014, the Russian government continued to take a predominantly militarized approach to the terrorist threat. In November, Russian Deputy Foreign Minister Oleg Syromolotov criticized the UN Secretary-General's plan to counter violent extremism for ostensibly promoting domestic unrest and eroding focus on counterterrorism. To the extent the Russian government works to counter violent extremism, it focuses on enforcement mechanisms and program administration through governmental agencies or organizations controlled by the government. The Russian government is reluctant to work with independent non-governmental organizations (NGOs), including Russian-based NGOs, in this area.

International and Regional Cooperation: Russia significantly increased counterterrorism outreach in 2016. In addition to continuing work in regional and multilateral groups, Russia expanded its bilateral efforts. In 2016, Russia held consultations or signed formal counterterrorism agreements with: Afghanistan, Australia, China, India, The Kyrgyz Republic, Nigeria, Pakistan, Serbia, Turkey, and the European Union. Russia is a member of and participated in UN and Global Counterterrorism Forum activities and advanced counterterrorism agendas in several other groups of which it is a member, including the Commonwealth of Independent States, the Collective Security Treaty Organization, the Brazil-Russia-India-China-South Africa group, the Shanghai Cooperation Organization, the Organization for Security and Cooperation in Europe, and the Association of Southeast Asian Nations Regional Forum.

SERBIA

Overview: The Government of Serbia continued its efforts to counter international terrorism in 2016, and political leaders engaged with the U.S. and international community to develop stronger counterterrorism measures and strategies. Serbia regularly participated in regional counterterrorism and countering violent extremism (CVE) conferences and in training exercises throughout Europe. Serbia's law enforcement and security agencies, in particular the Ministry of Interior's (MOI) Directorate of Police, and the Security Information Agency (BIA), continued bilateral counterterrorism cooperation with the United States, with a focus on tracking and vetting the ongoing refugee and migrant flows. Improvements were made in 2016, as some 110,000 of the approximate 135,000 migrants who moved through the country were registered. There were still significant gaps in vetting and processing, however, which was highlighted by media reports that at least one perpetrator of the November 2015 terrorist attacks in Paris flowed through Serbia under the guise of being a Syrian refugee. The U.S. government is working in partnership with the Serbian government and its law enforcement and security agencies to remedy these gaps.

In 2016, Serbia made significant progress in adopting the "National Strategy for the Prevention and Countering of Terrorism for the Period 2016-2021." The document also incorporates a small CVE platform, marking the first time that Serbia will have a unified counterterrorism and CVE plan in place. The strategy is expected to be adopted formally by the government in early 2017.

In 2016, Serbian officials continued public condemnation of ISIS activities, and the Minister of Foreign Affairs and Minister of Interior, among others, have publicly stressed the importance of the country's participation in the global effort to defeat ISIS. Serbia is a partner in the Global Coalition to Defeat ISIS and the Coalition's Foreign Terrorist Fighter Working Group and donated approximately 10 tons of ammunition to the fight against ISIS in 2016. The difficult economic situation in Serbia continued to limit the likelihood of substantial additional financial or material contributions to the Coalition.

Legislation, Law Enforcement, and Border Security: Serbia made some strides on the counterterrorism front in 2016, following the development of counterterrorism programs and passage of foreign terrorist fighter legislation in late 2014. Article 386a of Serbia's criminal code outlaws unauthorized participation in a war or armed conflict in a foreign country, and designates punishments from six months to five years for those participating as individuals; from one to eight years for those participating as a group; and, from two to 10 years for organizers. In July 2016, criminal proceedings began against seven individuals accused of financing, organizing, and recruiting Serbian citizens to fight in Syria for ISIS. As of December 2016, the case remained ongoing.

Serbia's strategic, interagency approach to handling terrorism-related matters continued to make progress in 2016. Efforts to create a national counterterrorism strategy began in July 2015 and are expected to conclude in 2017. The working group in charge of developing the strategy has finalized the language and currently awaits the appointment of a new chair before sending the document for adoption by the government. This national strategy also includes, for the first time,

language addressing violent extremism and strategic goals for countering radicalization to violence. The MOI continued to improve its three-year-old Service for Combating Terrorism and Extremism, which serves as a central agency for handling both counterterrorism and CVE concerns. Representatives of the Department of Justice's Office of Overseas Prosecutorial Development, Assistance, and Training and International Criminal Investigative Training Assistance Program (ICITAP) frequently interacted with Serbia's security sector, including MOI's Special Anti-Terrorist Unit and the Counter-Terrorist Unit, to provide best practices and training courses. In 2016, a joint project by ICITAP and the U.S. Office of Defense Cooperation (ODC) partnered with Serbia's Ministry of Interior to set up an Operational Analysis Service. ODC also implemented a program to deliver information technology equipment worth approximately US $400,000 to the MOI's Terrorism and Extremism Service to help develop further Serbia's counterterrorism capacities.

Transnational terrorism concerns within Serbia were similar to those facing other Western Balkan states located along the historical transit route between the Middle East and Western Europe – the so-called "Balkans Route" that moves weapons, narcotics, and people. Serbian authorities are alert to efforts by international terrorists to establish a presence in, or transit, Serbian territory. The government continued to cooperate with neighboring countries to improve border security and information sharing, and in 2016, established a Migrant Smuggling Task Force, a prosecution-led multi-agency team within the MOI that joins 20 representatives from various departments. The migrant crisis exposed numerous vulnerabilities in Serbia's border security, which largely matched vulnerabilities facing neighboring countries. In response to the migrant crisis, Serbia has been updating its screening tools and border security with help from international partners. The Department of State's Export Control and Related Border Security (EXBS) program continued to conduct training courses for and to donate equipment to Serbian Customs and Border Police. In 2016, EXBS donated a Secure Video Link network to the Customs and Border Police of Serbia, Bosnia and Herzegovina, and Croatia to provide immediate and secure video communications among the countries' operations centers in the event of a terrorist incident. Long sections of Serbia's borders, however, remained porous, particularly those borders shared with Kosovo and Bosnia and Herzegovina.

Countering the Financing of Terrorism: Serbia is a member of the Council of Europe's Committee of Experts on the Evaluation of Anti-Money Laundering Measures and the Financing of Terrorism, and has observer status in the Eurasian Group on Combating Money Laundering and Terrorist Financing. The Serbian Anti-Money Laundering Directorate (AMLD) is a member of the Egmont Group of Financial Intelligence Units.

In 2014, the Serbian government adopted the National Strategy for the Fight Against Money Laundering and Terrorism Funding, which covers strategic planning, coordination, and cooperation of all concerned government agencies and departments, and covers the period until 2018. The National Strategy envisages the formation of expert teams to coordinate government actions to counter money laundering and the financing of terrorism.

The AMLD published an amended list of indicators for recognizing suspicious transactions and a set of indicators for recognizing money laundering and terrorist financing for banks, brokers, insurance companies, and real estate agents.

Several significant deficiencies remain in Serbia's anti-money laundering/countering the financing of terrorism (AML/CFT) legal framework, including gaps in the terrorist financing offense and targeted financial sanctions, such as obligations under the UN Security Council ISIL (Da'esh) and al-Qa'ida sanctions regime. There are also shortcomings in Serbia's financial supervisory and border control regimes.

Consistent with the new law on foreign terrorist fighters, the government issued a list of designated persons and entities in 2015, with updates in February and May 2016.

For further information on money laundering and financial crimes, see the *2017 International Narcotics Control Strategy Report (INCSR), Volume II, Money Laundering and Financial Crimes*: http://www.state.gov/j/inl/rls/nrcrpt/index.htm.

Countering Violent Extremism: As part of the National Strategy for the Prevention and Countering of Terrorism for 2016-2021, Serbia for the first time incorporated a CVE aspect into the strategy. There were no concrete national programs in place to counter radicalization to violence or violent extremism in 2016.

Regional and International Cooperation: Serbia was engaged in limited regional and international cooperation on counterterrorism issues. Elements of the government, including the MOI and BIA, cooperate with INTERPOL and Europol on counterterrorism activities, including watchlists.

On issues of border security, Serbia has well-developed cooperation programs with Bulgaria, Hungary, and Romania. In addition, EXBS works extensively with a Tri-Border Initiative that brings Bosnian, Croatian, and Serbian agencies together for regular training and quarterly meetings. In 2016, regular training activities between the Border Police and Customs Agencies of Serbia and Kosovo, which began in 2014, continued, marking an improvement in cooperation between Serbia and Kosovo in this area in recent years.

SPAIN

Overview: Spain partnered actively with the United States to disrupt transnational terrorism in 2016. Spanish authorities maintained robust information sharing with U.S. counterparts on terrorist threats and worked closely with regional partners, including Morocco and Algeria, to dismantle foreign terrorist fighter recruitment and facilitation networks. Spain also made initial progress implementing a domestic program to counter violent extremism.

Spain has been a significant contributor to the Global Coalition to Defeat ISIS since its inception. Spain has a military-training mission in Iraq, co-located with the United States at Bismayah, near Baghdad, with more than 300 Spanish personnel deployed during 2016. In December, Spain's Council of Ministers approved the deployment of 150 additional military and police personnel to support the Coalition's training efforts.

The domestic terrorist group Basque Fatherland and Liberty (ETA) has not launched any attacks since it announced a "definitive cessation of armed activity" in October 2011. Although ETA had not formally disbanded or given up its weapons arsenal, its coherence was further eroded this year by the arrest of members of its vestigial leadership, including the November arrest of accused leader Mikel Irastorza in France.

Legislation, Law Enforcement, and Border Security: Spain has a mature legal framework for counterterrorism as a result of its long fight against the domestic terrorist group ETA. The Spanish Criminal Code specifically punishes any act of collaboration with the activities or purposes of a terrorist organization. Spain revised its penal code in 2015, empowering law enforcement agencies to prosecute individuals who glorify terrorism on social media, train remotely, operate without clear affiliation, or travel in support of non-state actors.

Spain's counterterrorism capabilities, coordinated by the national Intelligence Center for Counter-Terrorism and Organized Crime (CITCO), have proven effective. The National Police and Civil Guard share responsibility for counterterrorism. Spain continued to implement its cybersecurity strategy to safeguard its critical information systems under the direction of the Cyber Defense Committee, charged with coordinating cybersecurity across government agencies.

Spain continued to focus on improved security and the detection of false documents at its borders. Spain participates in the U.S. Department of Homeland Security/U.S. Immigration Advisory Program, which maintains staff at Madrid-Barajas International Airport, and allows for coordination between Customs and Border Protection and Immigration and Customs Enforcement officials, Embassy Madrid Consular staff, airline security personnel, and police regarding high risk passengers traveling to the United States. Spain continued to use a network of radar stations, known as the Integrated External Surveillance System, along its maritime borders.

Spanish authorities arrested 177 suspected terrorists between June 2015, when the national terrorism alert was raised to "4" (high) on a five-point scale, and December 2016. Arrests have occurred across Spain, from Madrid and Barcelona to the North African exclaves of Ceuta and Melilla and the Balearic islands of Ibiza and Mallorca. Charges against these suspects have included glorification of terrorism and promulgation of ISIS propaganda; recruiting foreign terrorist fighters and facilitating travel to conflict zones; and obtaining or delivering training to commit terror attacks. According to Spanish authorities, 204 individuals have traveled from Spain to Iraq and Syria as foreign terrorist fighters as of December. This includes both Spanish nationals and foreign nationals with links to Spain. Several dozen are believed to be deceased, and most of Spain's returned foreign terrorist fighters (roughly 25) remained in prison.

In March, Spanish authorities seized approximately 20,000 military uniforms that reportedly were being shipped from Spanish ports in Valencia and Algeciras to affiliates of ISIS or al-Nusrah Front (al-Qa'ida's affiliate in Syria) in Syria and Iraq. Ministry of Interior officials said they had uncovered a "very active and effective business network" seeking to provide military supplies to the terrorist organizations. The uniforms were declared as "secondhand clothes" to pass through customs inspections.

Countering the Financing of Terrorism: Spain is a member of the Financial Action Task Force (FATF) and has observer or cooperating status in the following FATF-style regional bodies: the Caribbean Financial Action Task Force, the Financial Action Task Force of Latin America, and the Middle East and North Africa Financial Action Task Force. Its financial intelligence unit, the Executive Service for the Prevention of Money Laundering and Monetary Infractions (SEPBLAC), is a member of the Egmont Group of Financial Intelligence Units. The Director and CEO of SEPBLAC assumed the position of FATF president on July 1, 2016.

In 2016, Spain continued to demonstrate leadership in the area of anti-money laundering (AML) and countering the financing of terrorism (CFT). Spain effectively investigates and prosecutes terrorist financing and uses criminal forfeiture provisions to freeze terrorist assets, but has had more limited success in implementing and using UN terrorism-related targeted financial sanctions.

Spain enacted its current law on Preventing Money Laundering and the Financing of Terrorism in 2010. The related regulations greatly enhance authorities' capacity to counter terrorist financing by placing greater requirements, with stiffer penalties for non-compliance, on financial institutions and other businesses, and by strengthening monitoring and oversight. The government has diligently implemented relevant UN Security Council resolutions (UNSCR) and has the legal authority to impose autonomous designations.

For further information on money laundering and financial crimes, see the *2017 International Narcotics Control Strategy Report (INCSR), Volume II, Money Laundering and Financial Crimes*: http://www.state.gov/j/inl/rls/nrcrpt/index.htm.

Countering Violent Extremism: Spain has begun to implement the National Counter Radicalization Plan announced in 2015. CITCO is the lead agency for implementing the plan. The southern city of Málaga, which joined the Strong Cities Network in May, has served as a pilot for countering violent extremism (CVE) initiatives, including interdisciplinary intervention in potential youth radicalization cases and networking with interfaith non-governmental organizations to improve communication between government and vulnerable communities. A national counter-radicalization hotline has received more than 900 communications deemed “of interest” by Spanish law enforcement since December 2015. Andalusia, Catalonia, and Madrid accounted for nearly half of these communications. Spanish authorities are seeking European Union and national funding to continue and expand their CVE efforts.

International and Regional Cooperation: Since 2004, Spain has been part of the informal working group on violent Islamist extremism known as the 5 + 5. The group brings together defense leaders from five European countries (France, Italy, Malta, Portugal, and Spain) and five Maghreb countries (Algeria, Libya, Mauritania, Morocco, and Tunisia). Its mission is to exchange information and discuss the operational implications of the threat from violent Islamist extremists in the European theater, including that posed by returning foreign terrorist fighters. In October, Spain participated in a meeting of the 5 + 5 Chiefs of Staff in Algiers to strengthen regional military cooperation against terrorism.

Spain is a founding member of the Global Counterterrorism Forum, and is also a member of the Council of Europe and the Organization for Security and Cooperation in Europe. During its presidency of the UN Security Council in December, Spain sponsored UNSCR 2322 to improve judicial cooperation to fight terrorism, and also worked to improve the implementation of UNSCR 1540, a cornerstone multilateral tool in preventing the proliferation of weapons of mass destruction to terrorist groups and other non-state actors. In September, Spanish authorities conducted a joint operation with Belgian and German law enforcement to dismantle an international ISIS recruitment network. The European Counterterrorism Center, established in January, is led by a senior Civil Guard official, Manuel Navarrete Paniguata.

SWEDEN

Overview: The United States and Sweden maintained good cooperation on counterterrorism and law enforcement issues. U.S. agencies worked with their Swedish counterparts in 2016 to improve information sharing and the evaluation of terrorist-related information. The Swedish Security Services (SÄPO) is concerned with the number of foreign terrorist fighters who have left Sweden to join terrorist groups mainly in Syria and Iraq. Of the estimated 300 individuals who traveled, some 44 were killed in action and 146 have returned to Sweden.

Foreign terrorist fighters in Sweden have been recruited mainly through word of mouth or online by friends or family members. Foreign terrorist fighters traveling to Syria and Iraq from Sweden were usually young males of immigrant background, but generally not of Syrian descent. Women also traveled to Iraq and Syria from Sweden, in some cases traveling with children or adult male companions.

SÄPO views the returnees with specific concern as they could potentially plan an attack in Sweden or could radicalize and recruit others for travel. In October, SÄPO reported to Swedish media that they saw a decrease in the number of travelers due to recent developments in Syria and Iraq.

The Swedish Civil Contingencies Agency reached out to various agencies and communities to develop awareness of the foreign terrorist fighter threat. The Counterterrorism Cooperative Council, consisting of 13 government agencies, coordinated Sweden's interagency counterterrorism cooperation. The National Center for Terrorism Threat Assessment produced long- and short-term strategic assessments of the terrorist threat against Sweden and Swedish interests. SÄPO monitored returned foreign terrorist fighters to evaluate their condition.

At the end of 2016, the national alert level was a three (elevated threat, no evidence of planning) on a scale of five (evidence of planning, attack imminent). The national alert level has been graded a three since 2010, except for when it was, for the first time, raised to a four (high threat, evidence of planning) following the November 2015 attacks in Paris. SÄPO stated the reason for raising the alert level was not due to specific evidence of planning, but for a need to raise the citizenry's vigilance following the Paris attacks. In March 2016, the national alert level was lowered back to a three.

Sweden is a member of the Global Coalition to Defeat ISIS, has made generous humanitarian contributions to ISIS-impacted populations in Iraq, and has sent 35 military trainers to northern Iraq in support of Coalition efforts. Johan Gustafsson, a Swedish citizen who was kidnapped by al-Qa'ida in the Islamic Maghreb (AQIM) when visiting Mali in November 2011, remained in AQIM's detention at the end of 2016. Gustafsson was last seen in an AQIM-released video allegedly made in July 2016.

Legislation, Law Enforcement, and Border Security: Sweden's legislation criminalizes inciting terrorist acts, recruiting on behalf of terrorist organizations, travel to support terrorist organizations, and providing terrorism training.

To implement UN Security Council resolutions 2178 and 2199 and the UN Security Council ISIL (Da'esh) and al-Qa'ida sanctions regime, new legislation with counterterrorism provisions came into effect April 1. This legislation included measures to criminalize travel to support terrorist organizations and the financing of terrorism, and measures to increase information exchange within Swedish intelligence channels and with partner countries. In June, Aydin Sevigin was sentenced to five years in prison for preparation of terrorism crimes under this legislation. Evidence included surveillance photos and receipts showing that Sevigin visited several large department stores, purchasing various items that can be used to make homemade bombs. Within the European Union (EU) Commission, Sweden continued to advocate strongly for a targeted revision of the Schengen Borders Code to provide for more thorough checks of EU nationals on entry into Schengen, including mandatory verification of biometric information.

In July, the Swedish government proposed introducing new legislation to clearly criminalize participation in combat-related activities in armed conflict abroad to support a terrorist organization. The government's proposal would more clearly criminalize the act of traveling abroad to undertake terrorist activity, financing of such travel, and recruitment for participation in combat-related activities.

During the year, the Swedish government increased the Security Service's budget for counterterrorism efforts by SEK 65 million (US $7 million) for 2016 and 2017 and SEK 95 million (US $10.3 million) for 2018. The Government of Sweden has also tasked the Security Service with developing its efforts to address the threat posed by returned foreign terrorist fighters.

Sweden participated in the EU Schengen working group and used the Schengen Information System II for information sharing, port of entry screening, lost and stolen passport information, and watchlisting. Under the auspices of the Passenger Name Record (PNR) Agreement between the EU and the United States, Sweden collects and shares PNR information from commercial flights.

To improve its border security, Sweden has introduced provisions that allow the Swedish Police Authority to request passenger information to perform identity checks via Advance Passenger Information from any carrier that transports passengers to Sweden by air from a state outside the Schengen zone. This information provides greater opportunities to identify travelers with links to terrorism at an early stage.

Since November 12, 2015, the Government of Sweden has held temporary border controls due to the massive influx of asylum seekers into the country. The border controls, consisting of spot checks at the Öresund Bridge connecting Sweden and Denmark and at ports connecting Sweden to Germany via ferries, have been extended every three months. Such temporary border controls are permitted under the Schengen Border Code if a "serious threat to public policy or internal security" exists. The Swedish government determined these conditions had been met following consultations with the police and the Migration Agency.

On March 30, the Court of Appeal upheld the Gothenburg District Court sentence of Hassan Al-Mandlawi (32-year-old from Iraq) and Al Amin Sultan (30-year-old from Ethiopia) to life in prison for "the crime of terrorism through murder" after it ruled that graphic video evidence showed the pair taking part in the beheadings of two people in Syria. The verdicts marked the first time foreign terrorist fighters were convicted in Sweden of crimes committed in Syria, and the first time individuals were convicted specifically for the crime of terrorism as opposed to the secondary charges of crimes against humanity and murder. In June, the Supreme Court announced its decision not to grant the two an appeal.

Countering the Financing of Terrorism: Sweden is a member of the Financial Action Task Force (FATF) and has observer or cooperating status in the following FATF-style regional bodies: the Caribbean Financial Action Task Force, the Financial Action Task Force of Latin America, and the Middle East and North Africa Financial Action Task Force. Sweden's financial intelligence unit, the National Financial Intelligence Service, is a member of the Egmont Group of Financial Intelligence Units.

A new penal provision for terrorist financing came into effect April 1. The new provision penalizes those who collect, provide, or receive funds or other property in the knowledge that it is intended for a person or group of people who commit, attempt to commit, prepare, or participate in a particularly serious crime, including acts of terrorism. Criminal liability in these cases does not require that the funds or property be intended to be used for a particularly serious crime, but instead focus on the recipient of the financing and the individual's intent to prepare or commit serious crimes. The proposed scale of penalties for ordinary offenses is imprisonment for a maximum of two years. Sweden has not yet secured convictions under this statute.

Since April, the Swedish Tax Agency has conducted approximately 100 audits on 65 people handling large amounts of money without explanation, and collected nine million SEK (US $1 million) from people with terrorism connections.

For further information on money laundering and financial crimes, see the *2017 International Narcotics Control Strategy Report (INCSR), Volume 2, Money Laundering and Financial Crimes*: http://www.state.gov/j/inl/rls/nrcrpt/index.htm.

Countering Violent Extremism: The Swedish government appointed its first-ever National Coordinator for Safeguarding Democracy from Violent Extremism in 2014. The Swedish government has described its approach to countering violent extremism (CVE) as attempting to address underlying factors behind radicalization to violence. The government seeks to

depolarize Swedish society as a necessary step to counter violent extremism, believing that people who do not feel welcome and integrated in Swedish society might turn to violent extremism. The coordinator's main mission is to engage and involve stakeholders at the local level, providing assistance to municipalities, schools, social services, police, and civil society organizations. The coordinator is also responsible for raising awareness of violent extremism and for the development of prevention methods. The national coordinator's work has resulted in all municipalities appointing a CVE contact person, and a majority of the Swedish municipalities are also developing prevention strategies.

The Government has extended the coordinator's mandate until January 2018.

The city of Stockholm is a member the Strong Cities Network that was launched in 2015. In 2016, the Nordic Council of Ministers launched Nordic Safe Cities, a network including many Swedish cities that is connected to the Strong Cities Network and aims to foster an exchange of best practices from the local level.

International and Regional Cooperation: Sweden is a member of the EU and has been active on CVE and foreign terrorist fighter issues within the organization. Sweden belongs to the EU-9, a group within the EU that focuses on foreign terrorist fighters. Sweden also participates in the European Commission's Radicalization Awareness Network.

Sweden continued to contribute to counterterrorism capacity-building projects through its development assistance work carried out by the Swedish International Development Cooperation Agency, and also via funding to the UN Office on Drugs and Crime-Terrorism Prevention Branch and the Organization for Security and Cooperation in Europe. Sweden supported the EU's work with capacity-building projects in prioritized countries and regions, such as Pakistan, Yemen, the Horn of Africa, the Maghreb, and the Sahel. Sweden provided trainers to the UN Multidimensional Integrated Stabilization Mission in Mali.

Sweden is a member of a number of multinational forums and collaborative groups, including the Counter-Terrorism Group. The group comprises security and intelligence services from all the EU member states, Norway, and Switzerland. Europol is tasked with helping its member states to prevent and counter serious cross-border crime and terrorism in Europe. Europol has started work to combine its various areas of expertise in counterterrorism into one department (the European Counterterrorism Centre) to further support member states.

TURKEY

Overview: Turkey continued its efforts to defeat terrorist organizations, including the Kurdistan Workers' Party (PKK) and ISIS. On August 24, the Government of Turkey launched a cross-border military operation, "Operation Euphrates Shield," in northern Syria, which Ankara described as an effort to remove ISIS threats along the Turkey-Syria border. Turkey remained an active contributor in international counterterrorism fora, including the Global Counterterrorism Forum (GCTF).

Turkey is a source and transit country for foreign terrorist fighters wishing to join ISIS and other terrorist groups fighting in Syria and Iraq. The Government of Turkey continued efforts to interdict suspected foreign terrorist fighters including: expanding its "Banned from Entry List;" deploying Ministry of Interior "Risk Analysis Units" to detect suspected foreign terrorist fighters at airports, seaports, bus terminals, and border crossings; sending additional personnel to reinforce military and civilian border units; deploying combat and surveillance equipment; and enhancing physical security measures along the Turkey-Syria border. In some instances, Turkey cooperated with source countries on information sharing and building investigative, prosecutorial, and administrative capacity to interdict the travel of suspected foreign terrorist fighters.

Turkey is an active member of the Global Coalition to Defeat ISIS. It opened Incirlik Air Base and other sites to Coalition aircraft in support of counter-ISIS operations in Iraq and Syria. Turkey is a founding member of the GCTF, and served as its co-chair from September 2011 to April 2016. As the co-chair of the Coalition's Working Group on Foreign Terrorist Fighters with the Netherlands, Turkey hosted an international meeting of the working group in Antalya on October 26-27. Turkey also co-chairs the GCTF's Horn of Africa Capacity Building Working Group with the European Union (EU) and is a member of the Coalition's Working Group on Counter-ISIS Finance.

The PKK continued to conduct terrorist attacks in Turkey during 2016. Turkish National Police and military forces continued counterterrorism operations against the PKK in Turkey's southeastern provinces. According to Turkey's semi-official news agency, the Anadolu Agency, the government killed, wounded, or captured more than 8,000 PKK terrorists in operations since July 2015. More than 750 government security personnel died in PKK-attributed attacks during this timeframe.

The Kurdistan Freedom Falcons/Hawks (TAK), a PKK splinter group, increased terrorist attacks targeting security personnel, infrastructure, and tourism facilities. Attacks by the Revolutionary People's Liberation Party/Front (DHKP/C), a Marxist-Leninist terrorist group with anti-U.S. and anti-North Atlantic Treaty Organization (NATO) views that seeks the violent overthrow of the Turkish government, continued.

The Government of Turkey has domestically identified several organizations as terrorist groups, including Turkish Hizballah (no connection to Hizballah), the Communist Party of Turkey/Marxist–Leninist (TKP/ML), and its armed wing, the Liberation Army of the Workers and Peasants of Turkey (TIKKO), as well as the Marxist-Leninist Communist Party (MLKP). Turkey also considers the Syria-based Democratic Union Party (PYD) and its military wing, the People's Protection Units (YPG), to be terrorist organizations closely linked to the PKK. The Government of Turkey continued to engage diplomatically with Hamas political bureau chief, Khaled Meshaal.

Turkey's National Security Council designated the religious movement of self-exiled Islamic cleric Fethullah Gulen a terrorist organization on May 26, referring to it as the "Fethullah Terrorist Organization" ("FETO"). The government asserts that the Gulen movement planned and led the July 15 coup attempt, which killed more than 240 people and injured more than

2,100 people, and included attacks on the Parliament. The government instituted a three-month state of emergency on July 21, subsequently extending it another three months on October 19. According to government sources, as of November 22, more than 86,000 civil servants were dismissed from public service via government-issued state of emergency decrees following the coup attempt for their alleged affiliation with, or support of, "FETO." As of October 8, authorities had arrested nearly 35,000 suspects on charges related to Gulen affiliation. The Gulf Cooperation Council designated "FETO" a terrorist organization on October 13. The Organization of Islamic Cooperation did the same on October 19.

2016 Terrorist Incidents: Notable attacks included:

- On January 12, 13 individuals, mostly foreign tourists, were killed and 14 individuals were injured in a suicide bombing in Istanbul's central Sultanahmet district. Authorities attributed the attack to ISIS.
- On February 17, TAK conducted a suicide vehicle-borne improvised explosive device (VBIED) attack near the General Staff Headquarters in Ankara, killing 29 people and wounding 61 people.
- On March 3, two DHKP-C militants attacked a police vehicle in Istanbul, wounding two officers.
- On March 13, TAK executed a suicide VBIED attack in Ankara's central Kizilay district, killing 36 people and injuring 125 people.
- On March 19, four foreign tourists, including two U.S. citizens, were killed and 45 were injured, including 24 foreign nationals, in an ISIS suicide bombing in Istanbul.
- On June 28, 44 people were killed and 239 were wounded in an attack by ISIS suicide bombers at Istanbul's Ataturk International Airport.
- On August 17, a PKK VBIED attack at a police station in Van province killed four people and wounded 72 people.
- On August 26, a PKK VBIED attack against a district police headquarters in Sirnak killed 11 people and wounded at least 70 people.
- On December 10, TAK claimed responsibility for a coordinated suicide VBIED and suicide bomber attack in Istanbul against police that killed 44 people and wounded more than 150 people.

Legislation, Law Enforcement, and Border Security: Turkey has a broad definition of terrorism, to include crimes against constitutional order and internal and external security of the state, which is sometimes used to criminalize what the United States would consider the legitimate exercise of freedom of expression and assembly. Under Turkey's Anti-Terror Law and penal code, a person can be punished as a member of a criminal or terrorist organization, even if the person is not a member of that organization, if the person commits an offense on behalf of that organization. The legislation considers a member of an organization with terrorist aims as a terrorist offender, even if the person does not commit a crime. It imposes more severe sentences to terrorism offenses and terrorist propaganda involving mass media. Despite a 2013 amendment that narrowed the definition of terrorist propaganda to declarations that legitimize and laud the violent, coercive, and threatening methods of terrorist organizations and incite their use, authorities broadly interpreted counterterrorism laws to target political opponents, journalists, and activists. The government, for example, arrested Sebnem Korur Fincanci,

President of the Human Rights Foundation, in June after she had served as a temporary guest editor of the pro-Kurdish newspaper *Ozgur Gundem*, on the charge of spreading terrorist propaganda. Her trial continued at year's end.

Following the July 15 coup attempt, the government on July 20 declared a three-month state of emergency, renewed in October, which allowed suspension of some due process protections for those accused of ties to terrorist groups. Courts imprisoned tens of thousands of persons accused of supporting the attempted coup or terrorist groups, in many cases with little clarity on the charges and evidence against them.

Turkey has advanced law enforcement capacity to counter terrorism and efforts continue to streamline interagency information sharing. Turkey devoted additional investigative and preventive capabilities to disrupt the activities of terrorist organizations and foreign terrorist fighters, and dismantle their facilitation networks. Turkish counterterrorism raids led to the death or capture of key ISIS operatives, including the head of an ISIS cell in Gaziantep province, who directed the Suruc (Sanliurfa) and Ankara train station attacks in 2015. According to Interior Ministry data, from January to November 23, 2016, authorities detained 3,089 individuals for links to ISIS, including 1,381 foreign nationals. It subsequently arrested 1,204 individuals, including 618 foreign nationals, of those detained.

Following the attempted coup in July, the government issued 12 decrees under the state of emergency to expedite investigations into offenses against constitutional order, which could include offenses committed during the coup attempt or beyond. The executive orders, among other measures, increased the period of custody for these offenses to 30 days from 48 hours, and also imposed procedural restraints that removed attorney-client privilege in terrorism-related cases.

The Ministry of Interior continued to regularly update its list of wanted terrorists. The list is posted publicly on its website as part of a government program launched in August 2015 that provides monetary rewards up to 4 million Turkish lira (approximately US $1.3 million) to individuals who volunteer information leading to the capture of terrorist suspects.

To reduce instances of improvised explosive device use by terrorist organizations, the government on June 8 issued a temporary ban on the sale of ammonium nitrate (AN) fertilizers, a key component in these devices. On November 7, Prime Minister Yildirim announced that Turkey would gradually stop producing chemical fertilizers high in ammonium nitrate content. The Prime Ministry ordered additional point-of-sale measures to monitor and manage the sale and distribution of propane, camp, and industrial gas cylinders. These measures include the mandatory inscription of serial numbers and bar codes on cylinders, online tracking of the consumption process, mandatory registration of the end-user identity information, after-use recycling of gas cylinders, and tracking the entry and exit of liquefied petroleum gas cylinders.

As part of efforts to establish an integrated border management system, the government continued to centralize border management under the Ministry of Interior. On March 17, the government established three interagency structures: an Integrated Border Management Coordination Council led by the prime minister or a designated minister; a Border Management

Implementation Council led by the undersecretary of the Interior Ministry; and a National Coordination and Joint Risk Analysis Center under the Interior Ministry's Directorate General of Provincial Administration.

The Government of Turkey continued to expand its "Banned from Entry List" to prevent travel into Turkey by foreign terrorist fighters. Risk Analysis Units continued to operate at major ports of entry and internal transit points to interdict potential foreign terrorist fighters. Security forces increased their ability to keep persons and contraband from crossing Turkey's borders. Turkey completed the construction of 270 kilometers of concrete wall along the key sections of the 911-kilometer Turkey-Syria border, and announced government tenders to complete the installation of a modular security wall along the balance of that border in the first half of 2017. According to Turkish General Staff data, during the January 1 to October 4 timeframe, Turkish Land Forces registered more than 33,300 border incidents, including the apprehension of approximately 300,000 individuals, mostly irregular migrants (who do not have the necessary paperwork/travel documents/authorizations to enter and work in Turkey), attempting to illegally cross Turkey's borders.

On August 24, Turkey launched a successful military campaign with Defeat-ISIS Coalition support around the northern Syrian city of Jarablus to secure its border against terrorist threats emanating from ISIS-controlled territory in Syria. The operation successfully pushed ISIS away from the last segment of the Syria-Turkey border it occupied and continued to extend further into ISIS-controlled territory at the end of 2016.

The U.S. government continued to provide bilateral and regional training programs in the areas of border, aviation, and sea-based security, and investigations, in partnership with Turkish law enforcement authorities and counterparts.

Countering the Financing of Terrorism: Turkey is a member of the Financial Action Task Force (FATF) and an observer of the Eurasian Group on Combating Money Laundering and Financing of Terrorism, a FATF-style regional body. Turkey's financial intelligence unit, the Financial Crimes Investigation Board (MASAK) under the Ministry of Finance, is a member of the Egmont Group of Financial Intelligence Units. No terrorist finance cases were prosecuted in 2016.

Turkey's Council of Ministers responsively issues freezing orders regarding persons, institutions, and organizations listed by the UN Security Council (UNSC) ISIL (Da'esh) and al-Qa'ida sanctions committee. Freezing orders are published in the Official Gazette, but it remains unclear whether the assets of any UNSC-designated entities were frozen in 2016. The non-profit sector is not reviewed on a regular basis for counterterrorist financing (CFT) vulnerabilities and does not receive adequate anti-money laundering/CFT outreach or guidance from the Turkish government. The General Director of Foundations issues licenses for charitable foundations and oversees them, but there are a limited number of auditors to cover the more than 5,500 foundations and 100,000 associations.

Turkey's CFT efforts, especially after the July 15 coup attempt, focused on disrupting the finances of the PKK and the "Fethullah Terrorist Organization," and included, among other

measures, closing or appointing trustees to companies and seizing properties affiliated with the Gulen movement, and freezing assets of businessmen suspected of Gulen links. A cash repatriation law enacted on August 3, which allows Turkish citizens and corporations to freely transfer and use currency, gold and other capital market instruments without undergoing investigation and prosecution as part of an economic stimulus package, raised concerns over its potential impact to create CFT vulnerabilities. Turkey identified and seized a significant amount of contraband goods, particularly along the Syria border, including oil, tobacco, illicit narcotics, and cultural artifacts, denying revenue to terrorist organizations.

The Department of State supported a Resident Legal Advisor (RLA) from the Department of Justice's Office of Overseas Prosecutorial Development and Assistance Training, based in-country. The RLA partnered with Turkish counterparts on programs to enhance legal frameworks and the investigative skillsets of law enforcement officials to effectively counter the financing of terrorism.

For further information on money laundering and financial crimes, see the *2017 International Narcotics Control Strategy Report (INCSR), Volume II, Money Laundering and Financial Crimes*: http://www.state.gov/j/inl/rls/nrcrpt/index.htm.

Countering Violent Extremism: The Turkish National Police plays a significant role in preventing radicalization to violence by administering a community outreach program to vulnerable populations. Police undertake social projects, activities with parents, and in-service training for officers and teachers. Programs prepare medical, community, and religious officials to intervene to undermine violent extremist messages and to prevent terrorist recruitment. The Ministry of Justice implements rehabilitation and reintegration programs for convicts and former criminals.

Turkey's Religious Affairs Presidency (Diyanet), tied to the Prime Ministry, works to undermine violent extremist messaging by promoting a moderate and inclusive version of Islam. All Sunni imams in Turkey are employees of the Diyanet. On October 17, the Diyanet released a report entitled "Religious Exploitation and Terrorist Organization ISIS," which explores the causes of radicalization to violence, counters ISIS's ideology with theological concepts and religious references, and offers recommendations to counter violent extremism.

On May 11-12, Turkey hosted the inaugural Strong Cities Network Global Summit in Antalya, which brought together more than 200 delegations to share best practices as to how subnational municipal actors prevent violent extremism.

International and Regional Cooperation: Turkey is an active member of the United Nations, the North Atlantic Treaty Organization, and the Committee of Experts on Terrorism of the Council of Europe. Turkey is a founding member of the International Institute for Justice and the Rule of Law and provides expert support to assist training for judges and prosecutors who are handling terrorism cases. Turkey participates in Organization for Security and Cooperation in Europe (OSCE) expert meetings on the Prevention of Violent Extremism and Radicalization that Lead to Terrorism organized by the OSCE Office of Democratic Institutions and Human Rights and the OSCE Secretariat.

Turkey has bilateral security cooperation agreements with more than 70 countries. The Turkish National Police contributes to counterterrorism capacity-building programs of partner countries and offers specialized international law enforcement training. During the 1997-2016 timeframe, TNP provided training to approximately 26,000 law enforcement officials from more than 60 countries. Turkey's military has trained more than 30,000 foreign military personnel from 57 countries in a range of subjects, including counterterrorism operations.

As a GCTF member, Turkey partnered with the United States on two initiatives: (1) The Initiative to Address the Lifecycle of Radicalization to Violence, which aims to address the full life cycle of radicalization to violence: from prevention, to intervention, to rehabilitation and reintegration; and (2) The Protection of Soft Targets in a Counterterrorism Context Initiative, which aims to raise awareness, identify needs, and leverage experiences to better protect civilian infrastructure. Turkey hosted the inaugural Soft Target Initiative Summit in Antalya in December.

UNITED KINGDOM

Overview: In 2016, the United Kingdom (UK) continued to increase resources to fight terrorism at home and abroad. The UK continued its military efforts against ISIS as a partner in the Global Coalition to Defeat ISIS, which included strike and surveillance operations in Syria and Iraq, as well as a full range of participation in counterterrorism-related working groups of the coalition. The UK is also taking the lead in designing a country-wide program for the coalition to provide training and equipment to counter the threat from improvised explosive devices (IEDs). The UK also expanded counter-ISIS efforts to Libya. Following ISIS attacks in France and Belgium, the UK increased efforts to enhance the counterterrorism capabilities of partner nations, including working more closely with European Union (EU) countries on shared foreign terrorist fighter concerns. Domestically, Prime Minister May worked toward the introduction of an updated Counterterrorism Strategy, and the parliament passed legislation revamping the government's electronic surveillance collection. The UK also took steps to expand the government's ability to counter terrorist financing and to prevent abuse of the charitable sector for terrorism purposes. UK law enforcement agencies have not announced the number of terrorist attacks disrupted in 2016, saying only that 12 attacks were disrupted in the past three years.

The UK separately assesses the Northern Ireland-related terrorism threat level for Northern Ireland and for Great Britain (England, Scotland, and Wales). While the threat level in Northern Ireland from Northern Ireland-related terrorism remained severe, the UK raised the threat level for Northern Ireland-related terrorism in Great Britain to substantial (from moderate). According to a 2015 assessment of paramilitary groups, the most serious terrorist threat was posed by dissident republican groups who oppose the peace process. Dissident republicans continued to target police officers primarily, but prison officers and members of the armed forces have also been targeted. The November 2015 Fresh Start Agreement established a three-member panel on the disbandment of paramilitary groups, which released a strategy in May to help eliminate paramilitary activities and organized crime in Northern Ireland. The Northern Ireland Executive incorporated the report's recommendations into an action plan in July. A new four-member Independent Reporting Commission appointed in December will oversee implementation of the

action plan and provide annual reports noting progress. Tension and in-fighting within republican and loyalist organizations persisted.

2016 Terrorist Incidents: UK law enforcement agencies have not announced the number of terrorist attacks disrupted in 2016, saying only that 12 attacks were disrupted in the past three years. The majority of domestic terrorist attacks occurred in Northern Ireland. As of December, the UK's Northern Ireland Office recorded four national security attacks by dissident republicans. They included:

- In March, a Northern Ireland prison officer Adrian Ismay was injured by an IED that detonated under his vehicle, an attack later claimed by the New IRA. He later died as a result of his injuries.
- In August, UK police detained Ciaran Maxwell, a 30-year-old Royal Marine, in connection with dissident republican paramilitaries. His arrest led to the recovery of a significant amount of terrorist material in England linked to Northern Ireland-related terrorism. Maxwell pleaded guilty to terrorism-related charges, including bomb-making and storing stolen military weapons, and awaits sentencing. In October, London police arrested 19-year-old Damon Smith under the UK Terrorism Act 2000 for allegedly planting a viable IED on the London subway.

Legislation, Law Enforcement, and Border Security: UK law enforcement officials continued to make use of reinforced counterterrorism legislation permitting the government to surveil, interdict, and control the movements of suspected terrorists. In November, Parliament passed the Investigatory Powers Act 2016, the most significant update of British surveillance laws in 15 years.

The Metropolitan Police Service (Met) led the UK's national counterterrorism law enforcement effort. The Met's Counter Terrorism Command operates against the threat of terrorism at a local, national, and international level and supports the national Counter Terrorism Network and the Senior National Coordinator of Counter Terrorism. The Met works closely with other UK police constabularies, MI5, and other agencies in all matters related to terrorism, to include investigation, prosecution, prevention, and protection. UK counterterrorism agencies conducted advanced international investigations, managed crisis response, and provided border security.

The UK is committed to implementing fully UN Security Council resolutions (UNSCR) 2178 and 2199, and is an important partner in urging other nations to do the same, especially within the EU. The UK issues machine-readable passports with an imbedded electronic chip. The UK continued to issue some non-electronic passports through 2008. As of April 2016, the UK required persons with unexpired non-electronic passports to obtain new electronic passports for travel to the United States. UK travel documents and visas contain a number of security features to prevent tampering and fraud. The UK has advanced biometric screening capabilities at some points of entry, but at others, such as ferry ports, there is no screening at all. The UK requires international airlines to collect Advance Passenger Information and demonstrated strong leadership in successfully encouraging the Council of the EU to approve a directive regulating the use of Passenger Name Records (PNR) data in April.

The U.S. and UK law enforcement communities have excellent information sharing and collaboration in counterterrorism. Several UK and U.S. law enforcement agencies embed personnel in each other's organizations to improve communication, information sharing, and joint response. U.S. law enforcement agencies routinely coordinate their investigations with their UK counterparts, resulting in numerous arrests and convictions.

In Northern Ireland, the Crime Operations Department is responsible for conducting terrorism investigations and works closely with MI5 and An Garda Síochána (Ireland's police force) on a range of issues. The Police Service of Northern Ireland reported an increase in security-related deaths, casualties of paramilitary style assaults, confiscation of firearms and ammunition, and charges for terrorist-related offenses in 2016. There was a decrease in shooting and bombing incidents, casualties of paramilitary style shootings, explosives confiscated, and terrorism-related arrests. Law enforcement actions in Northern Ireland during 2016 led to the recovery of firearms, high explosives, chemicals, and a range of IEDs.

In July, the UK convicted Anjem Choudary, along with co-defendant Mohammed Mizanur Rahman, of inviting support for a proscribed terrorist organization (ISIS) under the UK Terrorism Act 2000, which makes it a criminal offence to belong, or profess to belong, to a proscribed terrorist organization in the UK or overseas, or to invite support for such an organization.

Countering the Financing of Terrorism: The UK is a member of the Financial Action Task Force (FATF) and has observer or cooperating status in the following FATF-style regional bodies: the Eastern and Southern Africa Anti-Money Laundering Group; the Caribbean Financial Action Task Force; Asia Pacific Group on Money Laundering; and the Middle East and North Africa Financial Action Task Force. The UK's financial intelligence unit, part of the National Crime Agency, is a member of the Egmont Group of Financial Intelligence Units. The UK is also an active participant of the Defeat-ISIS Coalition's Counterterrorism Finance Working Group.

In October, new counterterrorist finance legislation came into force through the Charities and Social Investment Bill to enable the Charity Commission to more effectively deal with abuse of the charitable sector, including for terrorist purposes. The UK's Criminal Finances Bill, which will implement the EU's 4th Anti-Money Laundering Directive, is currently with Parliament.

The UK actively prosecutes those involved in terrorist finance. Since 2001, 62 individuals have been charged under sections 15-19 of the Terrorism Act 2000 ('fundraising'); of those, 22 individuals were convicted. Additionally, individuals suspected of funding terrorism were convicted of related offenses (fraud, money laundering, etc.).

The UK freezes assets in accordance with UN Security Council resolution (UNSCR) 1373 and 2178 and the UN Security Council ISIL (Da'esh) and al-Qa'ida sanctions regime. Like other members of the EU, the UK currently implements UN listings by way of EU regulation, which involves a delay between UN adoption and listings taking legal effect. Asset freezes under UN obligations are made as soon as corresponding EU regulations come into force. If aware of assets held in the UK, the government proactively notifies financial institutions, to compensate

for any delay in legal effect of the UN decision. Parliament was reviewing at year's end the Policing and Crime Bill, which, if adopted, would allow the UK to immediately implement UN sanctions decisions on a temporary basis until the EU regulations come into force. For domestic asset freezes under UNSCR 1373, action is taken immediately. As of March, the UK held approximately US $107,000 in frozen assets: US $19,000 under the Terrorist Asset-Freezing Act 2010 (TAFA), US $13,800 under the EU terrorist asset freezing regime, and US $74,200 related to the UNSC ISIL (Da'esh) and al-Qa'ida sanctions regime. Her Majesty's Treasury licenses funds to individuals subject to asset freezes for daily living expenses and legal costs; therefore, the amount frozen fluctuates over time.

Her Majesty's Revenue and Customs (HMRC) regulates money transfer and remittance services. HMRC requires remitters to understand to whom they are sending money and collect originator and recipient information. UK charities have a duty to report suspicions of terrorist financing offenses under section 19 of the Terrorism Act 2000. It is an offense to fail to make such a report. Such reports are filed directly with the police or with the National Crime Agency. Charities with an annual income of US $31,500 per year or more are obliged to file with the Charity Commission serious incident reports of fraud, theft, or other criminal behavior to include support for proscribed organizations or individuals. Charities with an annual income under US $31,500 per year "should" report such incidents to the commission, but failure to do so does not result in a criminal offense.

The UK electronically distributes a consolidated list of all UK designated terrorists and terrorist entities (to include UN targets, EU targets, and UK domestic targets under the TAFA) to 16,000 subscribers, mainly in the UK and its overseas territories.

For further information on money laundering and financial crimes, see the *2017 International Narcotics Control Strategy Report (INCSR), Volume II, Money Laundering and Financial Crimes*: http://www.state.gov/j/inl/rls/nrcrpt/index.htm.

Countering Violent Extremism: The UK remained an important partner in the effort to counter violent extremism both internationally and domestically. The UK's premiere countering violent extremism (CVE) programs, Prevent and Channel, identified and worked to de-radicalize at-risk individuals in a pre-law enforcement space, focusing increasingly on deterring would-be travelers to Syria. In addition, the UK funded an array of domestic and international counter-messaging campaigns via its Research, Information, and Communications Unit. The UK broadened its counter-messaging approach to include extremist speech and announced US $80 million in new funding to provide direct and in-kind practical support designed to expand the reach and scale of British counter-messaging efforts over the next three years.

International and Regional Cooperation: The UK continued to support counterterrorism efforts in regional and multilateral organizations. Early in the year, the UK established a counter-extremism hub in Brussels and sought to expand its bilateral working relationships on counter-extremist messaging. The UK remained one of the primary populators of key EU counterterrorism records systems and continued to advocate for consistent and accurate information gathering and sharing across the EU. The UK is a Global Counterterrorism Forum member and co-chaired the CVE Working Group with the UAE. It launched its Strategic

Communications Cell, a cooperative effort as part of a government-wide Counter-ISIS task force, in conjunction with the CVE Working Group. The UK advocated for UN-based counterterrorism and CVE initiatives and introduced the aviation security-related resolution at the UN Security Council that was adopted as UNSCR 2309 in September.

THE MIDDLE EAST AND NORTH AFRICA

Overview: Significant terrorist activity and safe havens persisted in the Middle East and North Africa throughout 2016. During the year, ISIS continued to occupy areas of Iraq and Syria, but had lost more than 60 percent of its territory in Iraq and approximately 30 percent in Syria by the end of 2016; it lost all of the territory it controlled in Libya by the end of 2016. ISIS branches in the Sinai Peninsula, Saudi Arabia, and Yemen heightened sectarian tensions, while these and the Libya branch conducted numerous attacks in the region. Al-Qa'ida and its affiliates also maintained safe havens amidst the fragile political and security climate across the region, particularly in Yemen and Syria, and conducted attacks in multiple countries.

ISIS's core continued to operate in Iraq and Syria, from which it projected its "caliphate." ISIS maintained a formidable force in Iraq and Syria, including thousands of foreign terrorist fighters from more than 100 countries, while Raqqa continued to serve as ISIS's administrative "capital" and its headquarters for most external plotting operations. At the end of 2016, ISIS had not had a significant battlefield victory in either country since May 2015. For more than two years, the United States has led a 73-member coalition to liberate territory in Iraq and Syria from ISIS, cut off ISIS's financing, disrupt its plots, counter its narrative, and stop the flow of foreign terrorist fighters. More than 14,000 air strikes have targeted ISIS's key leaders, heavy weapons, oil tankers, training camps, and its economic infrastructure. In Iraq, ISIS lost several key cities in Anbar, including Ramadi and Fallujah, and Iraqi Security Forces (ISF) – with Coalition air support – launched a broad offensive in Ninewa in October that resulted in ISF penetration into eastern Mosul by the end of the year. Two of ISIS's key operational and transit hubs were also retaken in Syria – Jarabulus by Turkish-backed opposition forces, and Manbij by the Syrian Democratic Forces (SDF). Significant pressure is also being put on Raqqa, the de facto "capital" of ISIS, after the SDF launched an offensive to isolate the city in November.

In North Africa, the conflict in Libya remained the most pressing regional problem. Libya's Government of National Accord (GNA) demonstrated its willingness to partner with the United States in the fight against ISIS. Prime Minister Fayez al Sarraj invited U.S. air support in the fight against ISIS and cooperated with international counterterrorism efforts. Most significantly, local Libyan forces – with the support of U.S. air strikes – removed ISIS from its stronghold of Sirte. Although more than 1,700 ISIS terrorists were killed during the Sirte counterterrorism operations, many members of the terrorist organization fled to Libya's western and southern deserts, abroad, or into neighboring urban centers. Other terrorist organizations, including Ansar al-Shari'a Darnah, Ansar al-Shari'a Benghazi, and al-Qa'ida in the Islamic Maghreb (AQIM) retained a presence in Libya. AQIM's focus was to fight against General Khalifa Haftar and his "Libyan National Army" forces even as Haftar and his forces publicly opposed the GNA. In the second half of 2016, AQIM increased its personnel and weapons support to the Benghazi Revolutionary Shura Council and the Benghazi Defense Brigades.

In Algeria, the government pursued an aggressive counterterrorism campaign against all terrorist activity within its borders. AQIM, AQIM-allied groups, and ISIS elements including the Algerian branch known as Jund al-Khilafah-Algeria (JAK-A, Soldiers of the Caliphate), were active terrorist organizations within Algeria and along its borders but struggled to accomplish their goals due to Algeria's largely effective counterterrorism pressure. In Tunisia, government counterterrorism efforts intensified in 2016, although terrorism remained a serious challenge. Although there were no reported attacks in urban or tourist centers in 2016, attacks persisted in the Tunisian mountains and along the border with Libya, such as the large-scale ISIS-affiliated attack on the town of Ben Gardane in March. The government developed a national counterterrorism strategy in November and reached out to the international community, particularly to the United States, to bolster its counterterrorism capability.

In Egypt, terrorists conducted numerous deadly attacks on government, military, and civilian targets throughout the country. Several high-profile attacks at the end of the year indicated the threat level remained high despite a focus on counterterrorism by the government. ISIS continued its terrorist campaign in the Sinai through the local ISIS-affiliate, ISIL-Sinai Province (ISIL-SP, formerly Ansar Bayt al-Maqdis). The Egyptian Armed Forces conducted a counterterrorism campaign against ISIL-SP in North Sinai, known as Operation "Right of the Martyr" starting in September 2015 through 2016.

In Yemen, the ongoing conflict between the Government of Yemen, supported by the Saudi-led coalition, and the Houthi-led opposition continued the security vacuum that has enabled al-Qa'ida in the Arabian Peninsula (AQAP) and ISIS's Yemen branch to deepen their inroads across much of the country. Despite losing its control of the port city of Mukalla in April 2016 to local Yemeni and Saudi-led coalition forces, AQAP used its tribal connections to continue recruiting, conduct attacks, and operate in areas of southern and central Yemen with relative impunity. It released several videos reiterating its intent to attack the West. Although significantly smaller than AQAP, ISIS's Yemen affiliate was able to conduct large-scale attacks targeting Yemeni soldiers in Aden and Mukalla.

Israel again faced terrorist threats from Palestinian terrorists from Gaza and the West Bank. Since 2015, a series of lone-offender attacks by Palestinians in Israel, Gaza, and the West Bank has increased tensions between Israel and the Palestinians. Israeli and Palestinian security forces continued their coordination in an effort to mitigate the ongoing violence. Gaza-based Palestinian terrorist organizations continued rocket and mortar attacks into Israeli territory, and multiple terrorist attacks were launched along Israel's security barrier with Gaza. Israeli counterterrorism officials reported that Hamas and other Gaza terrorists made significant advances in their military capabilities. Terrorists continued their arms and dual-use smuggling efforts through the Sinai into Gaza via tunnels, although the Government of Egypt undertook efforts to prevent such smuggling from its side, which Israeli officials welcomed.

Other threats to Israel included Hizballah in Lebanon and Syria; al-Qa'ida (AQ) and its affiliates, and ISIS and its affiliates along its borders – such as ISIL-SP and the Jaysh Khalid ibn al-Waleed group (JKW, formerly the al-Yarmouk Martyrs Brigade) in the Syrian Golan Heights.

Iran's state sponsorship of terrorism worldwide remained undiminished through the Islamic Revolutionary Guard Corps-Qods Force, its Ministry of Intelligence and Security, and Tehran's ally Hizballah, which remained a significant threat to the stability of Lebanon and the broader region. [See Chapter 3, State Sponsors on Terrorism, for more information about Iranian activities.]

ALGERIA

Overview: Algeria continued an aggressive campaign to eliminate all terrorist activity within its borders, and sustained its policing efforts to thwart terrorist activity in urban centers. Al-Qa'ida in the Islamic Maghreb (AQIM), AQIM-allied groups, and ISIS elements including the Algerian branch known as Jund al-Khilafah in Algeria (JAK-A, Soldiers of the Caliphate in Algeria), were active terrorist organizations within Algeria and along its borders. These groups aspired to establish their interpretations of Islamic law in the region and to attack Algerian security services, local government targets, and Western interests.

Regional political and security instability contributed to Algeria's terrorist threat. Terrorist groups and criminal networks in the Sahel attempted to operate around Algeria's nearly 4,000 miles of borders. Continuing instability in Libya, terrorist groups operating in Tunisia, fragile peace accord implementation in Mali, as well as human and narcotics trafficking, were significant external threats.

Algeria is not a member of the Global Coalition to Defeat ISIS; however, Algeria actively supported the effort to defeat ISIS in other ways, such as counter-messaging, capacity-building programs with neighboring states, and co-chairing the Sahel Region Capacity-Building Working Group (SWG) of the Global Counterterrorism Forum (GCTF).

Although there was one reported kidnapping by terrorists as a tactic to compel provision of supplies of food, there were no reports of kidnappings for ransom by terrorist groups in Algeria in 2016. The Algerian government maintained a strict "no concessions" policy with regard to individuals or groups holding its citizens hostage.

2016 Terrorist Incidents: JAK-A, which has sworn allegiance to ISIS, claimed responsibility for attacks on security forces, including two lethal attacks. Algerian government efforts continued to restrict the group's ability to operate. Within the region, AQIM continued attacks using improvised explosive devices, bombings, false roadblocks, and ambushes. Through November 2016, open sources reported 36 terrorist attacks. Attacks in 2016 included:

- On March 18, projectiles struck a gas plant operated by Statoil and BP in Krechba, in the southern Algerian desert. AQIM released a statement claiming the attack, which produced no casualties.
- On April 15, four soldiers were killed during a combing operation in the Constantine province.
- On October 29, a policeman was killed in the eastern city of Constantine. ISIS claimed responsibility for the attack via its propaganda arm, Amaq.

Legislation, Law Enforcement, and Border Security: On June 19, the President signed a new law adding articles to the Algerian penal code and expanding criminal liability in the areas of foreign terrorist fighters, those who support or finance foreign terrorist fighters, the use of information technology in terrorist recruiting and support; and internet service providers who fail to comply with legal obligations to store information for a certain period or to prevent access to criminal material. The legislation was intended to implement UN Security Council resolutions (UNSCR) 2178 (2014) and 2199 (2015), and the UN Security Council (UNSC) ISIL (Da'esh) and al-Qa'ida sanctions regime.

The government stated that penal code reforms adopted in December 2015 had reduced the use of pretrial detention in 2016, but overuse of pretrial detention remained a problem.

Military forces and multiple law enforcement, intelligence, and security services addressed counterterrorism, counter-intelligence, investigations, border security, and crisis response. These included the various branches of the Joint Staff; the army; the 140,000 members of the National Gendarmerie; and the Border Guards under the Ministry of National Defense (MND); and approximately 210,000 national police, or General Directorate of National Security, under the Ministry of Interior. Military forces and security services conducted regular search operations for terrorists, especially in eastern Algeria and in the expansive desert regions in the south. Public information announcements from the MND provided timely reporting on incidents during which MND forces captured or eliminated terrorists and seized equipment, arms, ammunition caches, and drugs.

Border security remained a top priority to guard against infiltration of terrorists from neighboring countries. Official and private media outlets reported on measures to increase border security, including closed military border areas, new observer posts in the east, reinforced protection of energy installations, additional permanent facilities for border control management, new aerial-based surveillance technologies and upgrades to communication systems. The Algerian government reported it had established a regularly updated database regarding foreign terrorist fighters, which is deployed at all border posts and Algerian diplomatic missions overseas.

The Government of Algeria closely monitors passenger manifests for inbound and outbound flights and scrutinizes travel documents of visitors, but does not collect biometric information. Algeria uses a computerized fingerprint identification system, undertakes training, and is equipped to recognize fraudulent documents. The Government of Algeria used INTERPOL channels, alerts, and diffusion notices to stay informed on suspicious travelers at land, air, and maritime borders.

To enhance its capacity to deal effectively with security challenges within its borders and defend against threats to regional stability, Algerian law enforcement agencies participated in the Department of State's Antiterrorism Assistance (ATA) Program and other training offered by third countries. Algerian participants attended and hosted numerous workshops conducted under the aegis of the GCTF. The U.S. Department of Justice's International Criminal Investigative Training Assistance Program, funded by the Department of State, concentrated on capacity-focused consultations and mentoring in forensics, border security, criminal investigation, and evidence collection at crime scenes.

Countering the Financing of Terrorism: Algeria is a member of the Middle East and North Africa Financial Action Task Force (MENAFATF), a Financial Action Task Force-style regional body. Its financial intelligence unit, known as the Financial Intelligence Processing Unit (CTRF), is a member of the Egmont Group of Financial Intelligence Units. In February, the FATF removed Algeria from its list of jurisdictions subject to FATF monitoring under its ongoing global anti-money laundering/countering the financing of terrorism (AML/CFT) compliance process. The FATF cited Algeria's significant progress in improving its AML/CFT regime. Similarly, in April, the MENAFATF announced that it was moving Algeria from "follow up" status to a biennial reporting status, and praised Algeria's compliance with international AML/CFT standards.

On June 19, the President signed a new law expanding the Algerian penal code in the areas of foreign terrorist fighters, and those who support or finance foreign terrorist fighters, in an effort to comply with UNSCR 2178.

CTRF regularly publishes administrative orders signed by the Minister of Finance, directing the immediate freezing and seizure of the assets of persons and entities listed by the UNSC ISIL (Da'esh) and al-Qa'ida sanctions regime. Although the system for freezing and seizure is in place, to date these orders have not yet resulted in the actual freezing or seizure of assets of listed persons.

The banking system in Algeria is underdeveloped and tightly monitored by Algerian authorities. Processes within the banking system are bureaucratic and require several checks at various points of the money transfer process, and a large informal cash-based economy has developed. The scale of the informal market has made its eradication extremely difficult, and multiple fiscal initiatives by the government have failed to co-opt illegal traders into formalizing their businesses. Reportedly, a network of informants and Algerian undercover officers monitor significant unregulated cash transactions, but given the informal nature of the system, it is difficult to police adequately.

In recent years, Algeria has taken steps to address several AML/CFT deficiencies. In 2015, Algeria amended the law to expand the definition of the financing of terrorism to include the criminalization of financing an individual terrorist or terrorist organization for any purpose. By amending the AML/CFT law, progress was also made on addressing customer due diligence, requiring all financial institutions to not allow the opening of anonymous or numbered bank accounts. Further, financial institutions were obligated to report to the CTRF suspicious transactions when funds are suspected of being associated or connected with a crime or suspected of being related to terrorism or used by terrorists, terrorist organizations, or terrorist financiers.

For further information on money laundering and financial crimes, see the *2017 International Narcotics Control Strategy Report (INCSR), Volume II, Money Laundering and Financial Crimes*: http://www.state.gov/j/inl/rls/nrcrpt/index.htm.

Countering Violent Extremism: The Algerian government reports that its policies underscore the value of state oversight for religious education, including by the training and credentialing of imams as a way to promote social stability and ensure they do not incite violence or promote intolerance through their teaching and preaching. The Algerian government appoints, trains, and pays the salaries of imams. The penal code outlines punishments, including fines and prison sentences, for anyone other than a government-designated imam who preaches in a mosque. The Algerian government monitors mosques for possible security-related offenses and prohibits the use of mosques as public meeting places outside of regular prayer hours. Government officials publicly affirm Algeria's Sunni Maliki tradition of Islam, and characterize it as upholding the values of tolerance, brotherhood, and acceptance of others.

The Ministry of Religious Affairs warns Algerians against foreign violent extremism (including ISIS), and heeding *fatwas* (judicial rulings) that originate outside Algeria. Plans announced in 2015 to establish an "Academy of *Fatwas*" and an "observatory" to guard against untrained imams and importation of values "alien" to Algeria's religious tradition remain at the proposal stage. The government promotes programs on television and radio that gave "repentant" terrorists a platform to dissuade others from joining violent extremist organizations.

A national taskforce on cybercrime, established in October 2015, continues to work with cybercrime units of the police and gendarmerie to prevent online recruitment. In addition, the government established memoranda of cooperation among the Ministries of Interior, Communications, Education and Religious Affairs, and set up specialized web sites to counter "fatwas" issued by extremists.

Viewing broad-based socioeconomic opportunity as a way to prevent radicalization to violence, Algerian government programs target youth and the unemployed by providing tuition, job placements, and paid internships to university students.

The Government of Algeria airs content through Radio Quran aimed at countering religious extremism, specifically violent forms of Salafism. Mini lectures with the stated intent to "defuse" intolerant or violent discourse air regularly, and the most relevant lectures were broadcast two to three times per week.

The MND released communiques from its website on captured or eliminated terrorists, indicating where the operation occurred and where arms were recovered, with no further commentary or analysis. The MND excluded group affiliation to deny terrorists publicity. Algerian leaders publicly condemned terrorism in televised addresses and statements to the press. Posting photographs and videos of terrorist acts on the internet is prohibited. MND officials and the MND website reminded citizens to verify their sources and statistics related to security matters with the MND communications office.

Under the 2006 Charter for Peace and National Reconciliation, Algeria offers amnesty to former terrorists who lay down their weapons and disavow violence. Exceptions are made for perpetrators of particularly egregious acts, such as rape, murder, and bombings. Per the Charter, the government extends judicial assistance and social and job reintegration measures to repentant terrorists, victims of terrorism, and families of terrorists across the country.

International and Regional Cooperation: Algeria is an active member and participant in the African Union (AU), the GCTF, the Organization of Islamic Cooperation, and the Arab League. It is a founding member of the International Institute for Justice and the Rule of Law. Algeria participated in counterterrorism-related projects implemented by the UN Office on Drug and Crime's Terrorism Prevention Branch; participated in CEMOC (Comite d'État-Major Opérationnel Conjoint) with Mali, Mauritania, and Niger to promote security cooperation in the region; and hosted CEMOC's Liaison and Fusion Center for information sharing. Algeria also provides significant funding to the AU's Committee of Intelligence and Security Services of Africa.

Algeria sits on the UN Counter-Terrorism Center's Advisory Board and hosts the headquarters of AFRIPOL, a pan-African organization to foster police training and cooperation. As a founding member of the GCTF, Algeria served as co-chair of the SWG, which promotes regional and international cooperation and provides a venue for experts to discuss capacity-building gaps specific to the Sahel region and identify solutions. Under the auspices of the SWG, Algeria hosted a regional workshop on the role of the criminal justice system in countering terrorism and on developing and implementing national plans of action to prevent violent extremism. In 2016, Algeria also convened international workshops on the role of democracy in countering terrorism, and on Terrorists' Use of the Internet.

In 2016, Algeria continued strong diplomatic engagement to promote regional peace and security. Algerian officials reported that security cooperation along the Algeria-Tunisia border had prevented several terrorist attacks. On the diplomatic front, Algeria chaired the implementation committee for the peace accord in Mali. Algeria continued to press publicly and privately for groups and stakeholders to support the UN political process in Libya. Algeria also participated in various Sahel-Saharan fora to discuss development and security policies, the evolution of regional terrorism, and donor coordination.

Algeria is an active member of the Trans-Sahara Counterterrorism Partnership (TSCTP), a U.S. multi-year interagency regional program aimed at building the capacity of governments in the Maghreb and Sahel to confront threats posed by violent extremists. Both Morocco and Algeria participate in the TSCTP; the 5+5 Defense Initiative, which brings together five European and five North African countries to address security issues in the Mediterranean; and the GCTF; however, political disagreement over the status of Western Sahara remained an impediment to bilateral and regional counterterrorism cooperation in 2016.

BAHRAIN

Overview: During 2016, the Bahraini government continued to make gains in detecting, neutralizing, and containing terrorist threats from violent Shia militants and ISIS sympathizers. Shia militants remained a key threat to security services, and their attacks in 2016 resulted in the death of one police officer and one civilian. The government also continued implementing counterterrorism laws the legislature approved in 2013, including revoking the citizenship of suspected and convicted terrorists. Opposition-leaning activists asserted at least some of these revocations were politically motivated, however. The government also offered diplomatic

support to the Global Coalition to Defeat ISIS, participating in the October Counter-ISIS conference in Washington and other working-level meetings – such as those of the Political Directors, Small Group, and Communications Committee – although Bahrain has not contributed substantively to coalition military efforts since 2014. Bahrain also indirectly supports coalition operations through hosting the Fifth Fleet and Naval Central Command.

In December, ISIS affiliates released a video in which the operatives called for attacks against the Bahraini government and U.S. interests in the region.

2016 Terrorist Incidents: The number of terrorist attacks against security forces declined in 2016 after several high-profile strikes the previous three years. At least three attacks resulted in casualties or injuries; only one of which involved explosives. Suspected Shia militants continued to instigate low-level violence against security forces using real and fake improvised explosive devices (IEDs). Bahrain regularly experiences low-level violence between Shia youth – using Molotov cocktails and other homemade devices – and predominantly Sunni security forces in mostly-Shia villages. Attacks in 2016 included:

- On April 16, youth used Molotov cocktails to attack a police patrol vehicle in the predominantly Shia village of Karbabad, resulting in the death of a police officer and injuries to two others.
- On May 22, the Mukhtar Brigades Shia militant group claimed credit for the shooting of a police officer in the predominantly Shia village of Sitra. The officer survived the attack.
- On June 30, an IED in the village of East Eker killed a Bahraini woman and injured her three children. The woman was likely collateral damage and not the intended target; no one claimed responsibility for the attack and militants have not previously targeted civilians.

Legislation, Law Enforcement, and Border Security: The Antiterrorism Law of 2006, and amendments in 2013, as well as Articles 155 and 168 of the penal code, form the bulk of Bahrain's terrorism legislative framework. A 2004 legislative decree created a new division within the Public Prosecutor's Office that specializes in terrorism cases. In 2013, the government amended the Charity Fundraising Law of 1956 to tighten terrorist finance monitoring and penalties and strengthen the government's ability to monitor and impede the use of social media to promote terrorism.

Bahrain did not offer any significant adjustments to its legal regime in 2016, although in April it labeled 68 groups as terrorist entities, including three domestic Shia militant organizations and ISIS. Activists alleged that the government has used the 2013 amendments to the Antiterrorism Law, particularly portions related to citizenship revocations, to pursue politically motivated cases against the mainstream, nonviolent opposition and Shia Community.

The Ministry of the Interior is the lead government agency that detects and prevents terrorism, and arrests suspects in terrorism-related acts, with the Bahrain National Security Agency providing intelligence support. The Bahraini Coast Guard monitors and interdicts seaborne weapons and terrorists. The major deterrents to more effective law enforcement and border

security are the lack of interagency coordination and limited training opportunities to develop requisite law enforcement skills. Police regularly plan and mobilize large-scale security operations to prepare for and enhance security during major events.

Bahrain has attempted to upgrade its border security and screening procedures at its two primary points of entry: the Bahrain International Airport and the King Fahd Causeway. Bahrain's third point of entry is the Khalifa bin Salman Port, where there is also appropriate screening. Bahrain cross-checks biographic information of incoming and outgoing travelers and can prevent individuals from entering or leaving the country. It is able to work with airlines for advance passenger information protocols, but usually not until incoming flights are airborne. Bahrain works with international organizations such as INTERPOL to identify and apprehend wanted persons; activists and NGOs have asserted that the government has used the INTERPOL red notice system to pursue politically motivated cases against the mainstream opposition and Shia activists without a history of involvement in violent acts. In 2016, Bahrain and the United States enhanced their abilities to share terrorism screening information.

Bahrain has initiated and continued to pursue numerous high-profile terrorism cases related to Sunni and Shia violent extremists. In 2016, a court convicted 24 citizens, with 16 tried in absentia, of forming an ISIS cell and revoked their citizenships. Most citizenship revocations and other prosecutions based on terrorism charges involved Shia militant individuals and organizations. Notable examples included the cases of the "Imam Army" and "Basta" terrorist organizations, where suspects are accused of conspiring with Iran's Islamic Revolutionary Guard Corps–Qods Force and other terrorist entities to launch domestic attacks.

Countering the Financing of Terrorism: Bahrain is a member of the Middle East and North Africa Financial Action Task Force, a Financial Action Task Force (FATF)-style regional body. Its financial intelligence unit, the Anti-Money Laundering Unit, is a member of the Egmont Group of Financial Intelligence Units. Bahrain is also a member of the Coalition's Counter-ISIS Finance Group (CIFG) and hosted a U.S.-Gulf Cooperation Council (GCC) Counter-Hizballah Workshop in 2016. Bahrain participated in three CIFG meetings in 2016 with delegations from the Ministry of Foreign Affairs, Ministry of Interior, and Central Bank of Bahrain.

Bahrain did not pass any significant counterterrorist financing legislation in 2016, but the Public Prosecutor's Office (PPO) signed an MOU with counterparts in the United Kingdom to increase information sharing and capacity building. One of the end goals of the project is to develop a financial crimes division within the PPO, which the office aims to implement after several of its members complete training in London.

Bahrain criminalizes terrorist financing in accordance with international standards and has the ability to immediately freeze suspicious financial assets. The Central Bank has implemented regulations stipulating that financial institutions and other relevant authorities do not have any dealings with UN-sanctioned entities, and financial institutions must screen all account activity against the Office of Foreign Assets Control Specially Designated Nationals and Blocked Persons list as well as applicable UN Security Council resolutions. The government routinely distributes the UN Security Council lists of designated individuals and entities to financial

institutions. The government also obliges non-profit organizations to file suspicious transaction reports and regulates and monitors them to prevent misuse and terrorist financing.

In Bahrain, the potential politicization of terrorist finance and money laundering issues threatens to conflate legitimate prosecutions of militants with politically-motivated actions against the mainstream, nonviolent opposition and Shia community, including Shia clerics. The lack of trust between the government and opposition after several years of political paralysis may continue to complicate any government efforts to prosecute legitimate financial crimes, including the financing of terrorism.

For further information on money laundering and financial crimes, see the *2017 International Narcotics Control Strategy Report (INCSR), Volume II, Money Laundering and Financial Crimes*: http://www.state.gov/j/inl/rls/nrcrpt/index.htm.

Countering Violent Extremism: In 2016, the government began drafting a National Countering Violent Extremism (CVE) strategy in line with the UN Secretary-General's Preventing Violent Extremism Plan of Action. Additionally, numerous officials from the government, legislature, and non-governmental organization (NGO) community have put together programming targeting youth and other vulnerable populations, including a May conference that focused on protecting youth from extremist influences.

A sense of economic and political disenfranchisement has persisted among sectors of the Shia community for years and remained a primary driver of violent extremism in 2016. Many Shia leaders claimed discrimination in government employment and awarding of government scholarships has worsened since the Arab Spring-inspired protests of 2011.

There is little support for violent anti-government activity in the Sunni community, but a limited circle of individuals has become radicalized in the past several years and either joined local violent extremist factions or left to fight with ISIS and other terrorist groups in Syria and Iraq. In December, ISIS said 14 Bahrainis had died fighting in Iraq and Syria.

Within the Sunni community, a small number of extremist religious preachers have helped radicalize these individuals, although Bahraini Sunnis looking to join violent extremist groups are also motivated by regional events and a desire to counter what they perceive to be growing Iranian influence.

The government has attempted to dilute the influence of religious leaders in political life and has forced both Sunni and Shia clerics to sign a document, originally authored in 2009, that commits them to certain standards when delivering Friday sermons. The government has rationalized several of the actions it took in 2016, including the dissolution of the country's preeminent opposition group, as attempts to dilute the influence of actors who incited violence and radicalization in the Shia community. Some activists and NGOs have claimed, however, that the government wants to silence peaceful dissent.

The government has also attempted to build outreach through initiatives such as the community police, which recruits mostly Shia Bahrainis to bridge the divide between predominantly Shia

villages and the regular – mostly Sunni (and non-Bahraini origin) – police force. The community police program emerged as one of several initiatives after the 2011 unrest, but the government has not published statistics on the force's composition or track record. Additionally, many in the Shia community continue to view anyone who works directly or indirectly for the security services with suspicion.

The government says it is working to establish a National Rehabilitation Center to reintegrate prisoners with extremist views back into society, but has not given a timetable for its implementation. There is also no overall strategic messaging campaign to counter terrorist narratives, although government leaders often publicly speak about tolerance and reducing sectarian rhetoric.

International and Regional Cooperation: In 2016, Bahrain and other GCC members led efforts with both the Arab League and Organization for Islamic Cooperation to designate Hizballah as a terrorist group. Also in 2016, Bahrain deepened its security cooperation with other GCC members, engaging in a largescale multilateral counterterrorism exercise ("Arab Gulf Security 1") that featured joint drills between police forces of several states. The Bahraini government frequently attends conferences related to multilateral counterterrorism cooperation.

EGYPT

Overview: In 2016, the Egyptian government continued to confront active terrorist groups that conducted deadly attacks on government, military, and civilian targets throughout the country. While the overall number of attacks against civilian targets declined through the middle of the year, several high-profile attacks at the end of the year indicate the threat level remains high. Two ISIS affiliates, ISIL-Sinai Province (ISIL-SP) and a distinct group calling itself Islamic State Egypt (IS Egypt), continued to pose a threat. Egypt also faced anti-regime violence from groups, including Liwa al-Thawra and the Harakat Sawa'd Misr (HASM) organization; both have claimed responsibility for attacks in Egypt. The Revolutionary Punishment and Popular Resistance organizations were less active than they had been in the past. While ISIS-affiliated groups likely received some external support and direction, there is no evidence of a significant presence of foreign terrorist fighters in Egypt.

President Abdel Fattah Al Sisi remained focused on counterterrorism efforts in Egypt. The Egyptian Armed Forces (EAF) continued the counterterrorism campaign against ISIL-SP in North Sinai (known as Operation "Right of the Martyr") to defeat the terrorist threat and prevent the establishment of a terrorist safe haven. The Egyptian government claimed to have killed thousands of terrorists. Rights groups and international media reported allegations that the armed forces used indiscriminate force during military operations that targeted widespread terrorist activity in the northern Sinai Peninsula, resulting in killings of civilians and destruction of property. The government did not report any civilian casualties during operations in the Sinai. (There is no independent confirmation of these allegations as northern Sinai remains closed to U.S. officials, non-governmental organizations (NGOs), and the press.)

Further, the EAF sustained efforts to seize and destroy tunnels used for smuggling on the border between Egypt and Gaza but at a slower rate compared to last year due to the establishment of a border buffer zone, which significantly reduced tunnel activity in this area.

On August 4, ISIL-SP leader Mohamed Fereij Zeyada (aka Abu Doaa Al-Ansary) was killed in an operation south of Sheikh Zoweid. Improvised explosive devices (IEDs) continued to be the largest threat facing Egyptian security forces in North Sinai. To circumvent EAF telecommunication jamming, militants developed IEDs that detonate using pressure plates and wire triggers.

Egypt is a member of the Global Coalition to Defeat ISIS and its Counter-ISIS Finance Group.

2016 Terrorist Incidents: Groups claiming to be affiliated with ISIS and other terrorist groups carried out attacks throughout Egypt, but particularly in the Sinai. Methods included vehicle-borne improvised explosive devices, ambushes, kidnappings, and targeted assassinations. The following list is illustrative and details only a fraction of the incidents that occurred.

- On January 21, security forces raided an apartment in the Haram district of Giza, acting on previously gathered intelligence. When security forces entered the apartment, the occupants detonated a number of IEDs, which caused the death of seven members of the security forces and the injury of others. Both IS Egypt and Revolutionary Punishment claimed the attack.
- On May 7, assailants attacked a microbus carrying police officers in Helwan, a suburb of Cairo. The perpetrators shot and killed eight police officers. Both IS Egypt and Popular Resistance claimed the attack.
- On October 23, gunmen shot and killed EAF Brigadier General Adel Rajaie as he left his home in Obour city, just outside of Cairo. Liwa al-Thawra claimed responsibility for the assassination.
- On December 9, an explosion targeting a checkpoint in the Haram district of Giza killed six police officers and severely injured three others. On the same day, another bombing targeting a police vehicle in Kafr El-Sheikh, in northern Egypt, killed one civilian and injured three police. Both bombs appeared to have been activated remotely. The HASM movement claimed responsibility for both attacks.
- On December 11, a suicide bomber killed 28 Coptic Orthodox worshipers and injured dozens more at El-Botroseya Church in central Cairo, located adjacent to St. Mark's Cathedral, the seat of the Coptic Orthodox Pope. The Egyptian government accused Muslim Brotherhood fugitives in Qatar of providing financial and logistic support while IS Egypt subsequently claimed the attack and warned of additional attacks to come.

Legislation, Law Enforcement, and Border Security: Egypt continued to implement two significant counterterrorism laws issued by Presidential decree in 2015 and ratified by Parliament in 2016: the "Terrorist Entities Law," which established a mechanism for designating organizations or individuals as terrorist entities; and a sweeping new counterterrorism law that significantly increased the penalties for terrorism-related crimes. The law also imposes a steep fine, equal to many times the average annual salary of most local journalists, for publishing

“false news” that contradicts official government reports on terrorism, which some civil society organizations worry could be used to stifle dissent and lead to under-reporting on acts of terrorism.

In November 2016, the Legislative and Legal Affairs committee of the Parliament planned to discuss an amendment to Egypt’s criminal procedures law that would expedite judicial appeals procedures to ensure swift justice in terrorism-related cases; however, these planned changes were delayed. In the wake of the December attack against El-Botroseya Coptic church, the Egyptian government planned to convene a major conference to discuss amendments to the criminal procedures law, including initiatives to allow the Cassation Court to consider cases as soon as they are appealed and issue verdicts quickly instead of referring them for retrial in criminal courts. Several politicians have also called for Parliament to refer all terrorism cases to military courts.

The National Security Sector, a division of the Ministry of Interior (MOI), is primarily responsible for counterterrorism functions in the Nile Valley, but also works with other elements of the MOI, the Egyptian General Intelligence Service, and the EAF. There was limited interagency cooperation and information sharing among the various counterterrorism elements within the Egyptian government in 2016.

Egypt continued to take actions to improve its border security. At border crossings and airports, Egyptian authorities checked for the presence of known security features within travel documents, such as micro-printing, UV features, and digital schemes. They also scanned and cross-referenced documents with criminal databases that alert them when there is derogatory information present. Egypt maintains a terrorist watchlist with a simple listing provided to Egyptian immigration officials at the ports of entry and detailed information maintained by the security services. In response to the downing of Metrojet flight 9268 in October 2015, the United States issued enhanced screening requirements for cargo flying from or through Egypt to the United States. These restrictions remained in place during 2016. Egypt bolstered security procedures and updated screening equipment at all of its international airports, including cargo screening at Cairo International Airport.

Egypt’s most significant physical border security concerns were along the borders with Gaza and Libya, although smuggling was also a problem along the border with Sudan. The EAF aggressively sought to destroy underground tunnels that connect Gaza and Sinai. The EAF continued to maintain the de-populated buffer-zone along the border with Gaza, which extends to 1.5 kilometers from the border. Egypt maintained an increased military presence along the Libya border; the government used cargo and passenger vehicle x-ray scanning devices at the Libyan border crossing to inspect traffic traveling both into and out of Egypt. The EAF was also working to procure a suite of mobile surveillance technologies to improve its situational awareness along the border with Libya.

Countering the Financing of Terrorism: Egypt is a member of the Middle East and North Africa Financial Action Task Force, a Financial Action Task Force (FATF)-style regional body and also a member of the Coalition’s Counter-ISIS Finance Group. Egypt’s Financial Intelligence Unit, the Egyptian Money Laundering and Terrorist financing Combating Unit, is a

member of the Egmont Group of Financial Intelligence Units. The Government of Egypt has shown increased willingness to improve its anti-money laundering/countering the financing of terrorism legal framework. During 2015, Egypt enacted a number of laws to strengthen measures to counter terrorist financing to align with international standards and to enhance its legal framework to identify terrorists and terrorist organizations.

Egypt enacted a criminalization system for terrorist financing, in accordance with international standards, and has comprehensive procedures to implement financial sanctions pursuant to the UN Security Council (UNSC) ISIL (Da'esh) and al-Qa'ida sanctions regime. Egypt remains vulnerable to terrorist financing, however, because of the large informal cash-based economy, undocumented small scale financial transactions, an estimated 90 percent of the population that does not have formal bank accounts, and the proximity to several terrorist organizations such as ISIL-Sinai. The Central Bank of Egypt and the Federation of Egyptian Banks have aimed to promote financial inclusion by incentivizing individuals and small and medium size enterprises to enter the formal financial sector. Additionally, Egypt enacted measures including digitization of government payments, introduction of smartcards, and increased banking services with mini-branches, more ATMs, and mobile phone applications. Despite legislative efforts, smuggling of antiquities and narcotics remained a concern, and exploitation of banking technologies and social media for terrorism funding also remained an issue. For example, ISIL-SP solicited funds using Twitter to finance terrorist activities in Egypt, relying on anonymous prepaid value cards.

For further information on money laundering and financial crimes, see the *2017 International Narcotics Control Strategy Report (INCSR), Volume II, Money Laundering and Financial Crimes*: http://www.state.gov/j/inl/rls/nrcrpt/index.htm.

Countering Violent Extremism: Egypt's Dar Al-Iftaa, an official body that issues religious edicts, has taken the lead in establishing a General Secretariat for Fatwa Authorities Worldwide to counter violent extremist religious messaging via religious channels. Dar Al-Iftaa sends scholars to engage communities considered vulnerable to violent messaging; trains new muftis; organizes international outreach and speaking tours throughout Muslim majority countries and the West; publishes books and pamphlets to challenge the alleged religious foundations of violent extremist ideology; runs rehabilitation sessions for former violent extremists; and confronts violent extremists in cyber space.

Al-Azhar University is revising its pre-university curricula by removing material that could be misinterpreted to promote violent extremism. Al-Azhar's online observatory monitors, reports on, and responds to extremist messaging and *fatwas* on the internet.

The Ministry of Islamic Endowments (Awqaf) is legally responsible for issuing guidance to which all imams throughout Egypt are required to adhere, including weekly instructions on a provided theme that aims to prevent extremist language in sermons. The Ministry is also required to license all mosques in Egypt; however, many continued to operate without licenses. The government appoints and monitors the imams who lead prayers in licensed mosques, and the government pays their salaries.

International and Regional Cooperation: Egypt continued to participate in the Global Counterterrorism Forum, co-chairing (along with the United States) the Criminal Justice and Rule of Law Working Group. Egypt holds a non-permanent seat on the UNSC through the end of 2017, and presides over the UNSC Counter-Terrorism Committee. It is also a member of the African Union.

IRAQ

Overview: Iraq made impressive progress in 2016 toward defeating ISIS, which had occupied large areas of the country since mid-2014. The series of successive ISIS defeats continued with Iraqi Security Forces (ISF) liberation of Ramadi in February, elimination of ISIS presence in Hit, Karma, Jazira al-Khalidiya, and Rutbah through the spring, recapture of Fallujah in June, seizure of Qayara Airbase in July, and launch of a broad offensive in Ninewa in October, resulting in ISF penetration deep into eastern Mosul at the end of the year assisted by Coalition air power. As it retreated, ISIS killed hundreds of Iraqi civilians, publishing macabre videos of the murders to terrorize Iraqis, and forcing Mosul residents to remain as human shields to discourage airstrikes. ISIS also demonstrated its continuing ability to conduct massive terrorist attacks in Baghdad and Shia-majority areas, killing at least 300 civilians in coordinated bombings in Baghdad in July and killing at least 80 Iranians and Iraqis (the bulk of whom were Shia Arba'in pilgrims) in Hilla, south of Baghdad, in November.

By the end of 2016, ISIS had lost much of the territory it captured in 2014 and early 2015. While ISIS continued to offer fierce resistance in Mosul's city center and a few other strongholds, it lost some of its ability to generate revenues or resupply itself militarily. The ISF had reclaimed most of Anbar (with only the Qaim-Rawa corridor remaining ISIS-controlled), nearly all of Salah al-Din, Kirkuk (except for Hawija), and Ninewa (except for Mosul and Tal Afar). This represented a dramatic, positive advance from the situation in Iraq in 2015.

Still, even as the Government of Iraq – supported by the 73-member Global Coalition to Defeat ISIS – made significant progress in its campaign to expel ISIS from Iraq, severe internal security threats endured. Iraqi officials made little progress on managing the country's ethnic, religious, and sectarian fissures, and the passage of legislation formalizing the Popular Mobilization Forces (PMF) proved a divisive step that exacerbated the doubts of many Sunnis about the government's willingness to rule for the benefit of all citizens.

The U.S.-led Defeat-ISIS Coalition focused on training, equipping, advising, and assisting the ISF, including Kurdish Peshmerga, in coordination with the Government of Iraq. Twenty coalition states joined the United States in deploying military personnel to assist the Iraqi government in training, along with "advise and assist" missions. Coalition partners trained more than 38,500 ISF, while coalition members conducted 4,300 air strikes in Iraq, including in support of Mosul's liberation. Coalition states contributed more than $1 billion to UN-managed stabilization projects and humanitarian support in 2016, including at the Iraq Donor Conference in July, bringing total humanitarian assistance to more than 4.5 billion since the current crisis began in 2014. Iraqi officials also participated in Counter-ISIS Ministerial and Lines of Effort working group meetings throughout the year.

2016 Terrorist Incidents: Terrorist groups continued to mount a large number of attacks throughout the country. ISIS's use of captured and improvised military equipment gave it sophisticated capabilities in line with a more conventional military force, including the reported use of tanks, armored vehicle-borne improvised explosive devices, artillery and mortars, and self-developed unmanned aerial drones, capable both of surveillance and attacks using primitive air-drop bomblets or booby-trapped components. According to estimates from the UN Assistance Mission for Iraq, acts of terrorism and violence killed more than 7,000 civilians and injured more than 12,000 in 2016.

Many of Iraq's armed Shia groups are backed by Iran, including Kata'ib Hizballah (KH), Asa'ib Ahl al-Haqq (AAH), and the Badr Organization. These Iranian-backed groups continued to operate in Iraq during 2016, which exacerbated sectarian tensions in Iraq and contributed to allegations of human rights abuses against primarily Sunni civilians, particularly in Fallujah, where residents claim hundreds of male residents remain unaccounted for after the city's liberation in June. KH, AAH, and other militias associated with Iran's Islamic Revolutionary Guards Corps-Qods Force have been combating ISIS alongside the Iraqi military. In November, the Council of Representatives passed legislation formalizing the PMF as part of the ISF, although which militias will be formally enrolled or how they will be enrolled (as individuals or as units) in the legalized PMF had not been determined at year's end. The inclusion of KH – a U.S. designated Foreign Terrorist Organization – in the legalized PMF could represent an obstacle that could undermine shared counterterrorism objectives.

The following is an illustrative sample that highlights only a small number of the most egregious terrorist attacks conducted in 2016:

- Throughout January, near-daily car bombs killed more than 120 Iraqis in Baghdad.
- On February 28, two suicide bombers detonated explosives in a market in Sadr City, Baghdad, killing at least 60 people.
- On March 25, a suicide bomber at a crowded soccer match in Babil killed 41 people, including the town's mayor.
- On April 4, a suicide bomber in Basra killed five people and injured five others on a busy commercial street.
- In two May incidents in Balad, gunmen killed 28 people and injured 50 others gathered to watch football matches in city cafés.
- On May 15, ISIS gunmen and suicide bombers attacked a natural gas processing plant in Taji, killing 14 people and severely damaging the facility.
- On May 17, a series of ISIS-claimed car bombs killed more than 100 Iraqis in Baghdad.
- On July 3, a truck bomb killed at least 300 civilians in Karrada in Baghdad and injured more than 200 more, and two other bombs in Baghdad killed at least 10 more people.
- In September, frequent car bombs and improvised explosive devices (IEDs) killed at least 70 civilians in Baghdad.
- In October, frequent car bombs and IEDs killed at least 90 civilians in Baghdad.
- On November 24, a truck bomb killed at least 80 Iranian and Iraqi civilians, most of them returning home from the Arba'in pilgrimage.
- On December 11, two car bombs killed at least eight civilians in Falluja.

- On December 25, separate bombings killed at least 11 civilians and wounded 34 others in and around Baghdad.

Legislation, Law Enforcement, and Border Security: With substantial training and equipment from the Coalition, the ISF strengthened its capabilities to provide local security and defeat terrorist threats. Independent ISF operations throughout Iraq showcased marked improvements in ISF capacity over the course of the year. Border security remained a critical gap; border crossings with Syria remained in ISIS hands and the Government of Iraq had no capability in 2016 to prevent smuggling across the Iraq-Syria border.

Iraq enacted legislation delineating powers, mandates, and duties of the Counter Terrorism Service in October, and passed legislation formalizing incorporation of the PMF into the ISF in November. The PMF law (passed by the Council of Representatives in November and published in December) presented challenges due to its likely inclusion of Iran-affiliated militia groups into the ISF, but it also provides avenues to govern the conduct of these groups and to ensure all armed actors are accountable to Iraqi law.

Iraq continues to support the Terrorist Interdiction Program's Personal Identification Secure Comparison and Evaluation System (PISCES) in an effort to secure its borders and identify fraudulent travel documents. The Government of Iraq has the capability to conduct biographic and biometric screening at multiple land and air ports of entry. Iraq also continued to participate in the Department of State's Antiterrorism Assistance program, which has improved selected and vetted Ministry of Interior units' contributions to the counter-ISIS fight.

Countering the Financing of Terrorism: Since 2005, Iraq has been a member of the Middle East and North Africa Financial Action Task Force (MENAFATF), a Financial Action Task Force (FATF)-style regional body. Iraq is under review by the FATF, due to a number of strategic deficiencies in its anti-money laundering/countering the financing of terrorism (AML/CFT) regime. Iraq has taken steps towards improving its AML/CFT regime, including passing an updated AML/CFT law in 2015, and issuing a set of regulations in accordance with the new law in 2016, to help bolster its compliance with the international FATF standards.

In 2016, the Government of Iraq, including the central bank, law enforcement, and judiciary took measures to disrupt ISIS's financial activity, including: enforcing a national directive to prohibit financial transactions with banks and financial companies located in ISIS-controlled areas; cutting off salary payments to government employees located in ISIS-controlled areas to prevent those salaries from being "taxed" by ISIS; prohibiting exchange houses and transfer companies located in ISIS-held areas and those suspected of illicit activity from accessing U.S. banknotes in the central bank's currency auctions; sharing a list of banned exchange houses and money transfer companies with regional regulators; revoking the license and freezing the assets of a U.S.-designated exchange house; and taking judicial action against over a dozen individuals and companies suspected of illicit financial activity. These actions ranged from business closures to the arrest of suspects.

Iraq is a member of the Coalition's Counter-ISIS Finance Group. The Government of Iraq, including the Central Bank of Iraq's financial intelligence unit, collaborated with the

U.S. Department of the Treasury to further develop its AML/CFT regime and strengthen its capacity to implement international standards for financial sector oversight.

For further information on money laundering and financial crimes, see the *2017 International Narcotics Control Strategy Report (INCSR), Volume II, Money Laundering and Financial Crimes*: http://www.state.gov/j/inl/rls/nrcrpt/2014/index.htm.

Countering Violent Extremism: The Government of Iraq recognized that defeating ISIS requires exposing the group's true criminal nature and disconnecting the counter-ISIS fight from Iraq's internal political tensions. Formation of the Iraqi War Media Cell in 2016 represented a significant step in countering ISIS disinformation and propaganda.

International and Regional Cooperation: Iraq is a member of multilateral and regional organizations including the United Nations, the Organization of Islamic Cooperation, and the Arab League.

ISRAEL, THE WEST BANK AND GAZA, AND JERUSALEM

Overview: Israel was a committed counterterrorism partner in 2016. Israel again faced terrorist threats from Iranian-support groups such as Hizballah in Lebanon. Other threats included Palestinian terrorist groups such as Hamas, the Popular Resistance Committees, and Palestinian Islamic Jihad (PIJ), particularly from Gaza but also from the West Bank; al-Qa'ida (AQ) and its affiliates, and ISIS and its affiliates along its borders, such as ISIL-Sinai Province (ISIL-SP) and the Jaysh Khalid ibn al-Waleed group (JKW, formerly the al-Yarmouk Martyrs Brigade) in the Syrian Golan Heights. In addition, since 2015, Israel has faced numerous incidents of terrorist attacks committed by individuals with no clear affiliation to terrorist organizations, termed "lone offender" attacks.

Israeli security officials and politicians remained concerned about the terrorist threat posed to Israel from Hizballah and Iran, highlighting that Iran, primarily through the efforts of its Islamic Revolutionary Guard Corps-Qods Force, continued to fund and supply Hizballah. Israeli experts believed that Iran has transferred to Hizballah advanced weapons systems such as anti-aircraft and anti-ship cruise missile systems, and was continuing to transfer long-range rockets into Lebanon. Also, Israeli officials were concerned about the proliferation of conventional and non-conventional weapons from Syria to terrorist organizations. According to the Government of Israel, Hizballah has stockpiled more than 130,000 rockets and missiles in Lebanon since the 2006 Lebanon War.

Israeli counterterrorism officials said Hamas and other Gaza terrorists made quantitative and qualitative advances in their military capabilities. Israel assessed that Hamas and PIJ have regained most of the military capabilities that were severely damaged during operation "Protective Edge" (July 7 to August 26, 2014), and have, in some cases, expanded their capabilities, including by constructing new offensive tunnels and acquiring other advanced capabilities such as an arsenal of medium-to-long range rockets and unmanned aerial vehicles. Gaza-based Palestinian terrorist organizations continued rocket and mortar attacks into Israeli territory, although no Israeli fatalities were reported.

While Israel was not involved in the Global Coalition to Defeat ISIS, it shared information to help track and stem the flow of foreign terrorist fighters through information exchanges on counterterrorism issues with numerous governments. In support of the UN Security Council (UNSC) ISIL (Da'esh) and al-Qa'ida sanctions regime, Israel regularly updated its list of foreign terrorist organizations and individuals involved in terrorism to better align with UNSC sanctions lists.

In 2016, Israel and the United States held numerous interagency counterterrorism dialogues to discuss the broad range of threats in the region and to determine areas of collaboration to address these challenges.

2016 Terrorist Incidents: Israel experienced numerous terrorist attacks in 2016 involving weapons ranging from rockets and mortars to small arms and knives. The wave of violence that began in late 2015, termed the "knife intifada," gradually decreased during the year; nonetheless, numerous Israelis and Palestinians were injured in these attacks. The following list details only a fraction of the total terrorist incidents that occurred during the year.

- In January, an Israeli Arab gunman opened fire on several businesses in downtown Tel Aviv, killing two people and wounding seven others. He subsequently killed a taxi driver while fleeing the scene of the attack. Israeli officials identified the attacker as 31-year-old Nasha'at Melhem from the northern Israeli town of Ar'ara. Following a week-long nationwide manhunt, Melhem was killed in an exchange of fire with Israeli security forces.
- In March, a Palestinian man went on a stabbing spree in Jaffa Port, Tel Aviv, killing a U.S. citizen and wounding 10 other people. The attack lasted approximately 20 minutes and ended after police shot and killed the assailant. Israeli authorities identified the assailant as 22-year-old Bashar Masalha, from the West Bank village of Kalandiya.
- In June, two Palestinian men opened fire on a popular market in downtown Tel Aviv, killing four people and wounding seven others. Responding police arrested both assailants, later identified as Muhammad and Khalid Mukhamra, cousins from the West Bank town of Yatta. An Israel Security Agency (ISA) investigation determined that ISIS online propaganda provided inspiration for the attack and friends of the assailants assisted them with preparations.
- In November, Israel Defense Forces (IDF) units responded to machine gun and mortar fire from JKW militants (an ISIS-aligned group) across the Syrian border. Israeli forces crossed the Israeli security fence, while remaining within Israeli territory, and called in an airstrike which killed four militants.

Legislation, Law Enforcement, and Border Security: Israel has a robust legal framework to counter terrorism and promote international legal assistance in the investigation and prosecution of terrorists.

The Israeli Knesset passed new counterterrorism legislation in 2016 that broadened the range of activities subject to enhanced criminal sentencing. These activities include tunnel-digging, stone

throwing, incitement, and planning intended to assist terrorist organizations and individuals. The Combatting Terrorism Law was designed to empower law enforcement authorities to preempt the establishment of terrorist cells and attack planning. The new provisions contained in the law codified numerous military and emergency orders issued under general emergency powers in place since the founding of the State of Israel. They include: the Anti-Terrorism Ordinance of 1948, the Anti-Terrorist finance Law of 2005, and various regulations issued under pre-statehood emergency defense authorities of 1945.

Non-governmental human rights organizations protested the Law's broad definition of terrorism, arguing it serves to codify counterterrorism powers that critics compared to martial law. Additional concerns regarding the scope of Israeli counterterrorism legislation were directed towards the criminalization of activities related to freedom of expression, association, and peaceful assembly that could affect the Arab population of Israel.

The ISA and Israel National Police (INP) continued to cooperate with U.S. law enforcement agencies on cases involving U.S. citizens killed in terrorist attacks. Elite Israeli units engaged in counterterrorism operations included Yamam (Israeli Border Police) and IDF special operations units, such as Sayaret Matkal and Duvdevan (Urban Warfare Counterterrorism Operations).

Israeli Border police have a "hot return" policy for visitors suspected of ties to terrorist or criminal organizations. The border fence constructed along the border with Egypt, and fences along the West Bank and Gaza, assisted Israeli security forces in preventing migrant inflows and mitigating security threats. The West Bank and Gaza barriers were augmented by cameras, sensors, and active patrols by Israeli Border Police and the IDF.

Israel's airport security was considered robust by international security experts, particularly with regard to its security screening and inspections program. The Israeli Ministry of Interior maintained a voluntary biometric passport control system at Tel Aviv's Ben Gurion International Airport, which was available for Israeli passport holders over the age of 18 years. This system facilitated both entry into and exit from Israel via an automatic kiosk for Israeli citizens who successfully passed a background check and provided a scan of their hand.

Countering the Financing of Terrorism: The Israeli financial intelligence unit, the Israeli Money Laundering and Terror Finance Prohibition Authority (IMPA), is a member of the Egmont Group of Financial Intelligence Units. Israel was also welcomed as an observer to the Financial Action Task Force (FATF) at the organization's plenary meeting in February 2016, and Israeli anti-money laundering (AML) experts have begun to participate in FATF peer reviews of other countries' anti-money laundering/countering the financing of terrorism regimes.

Israel's counterterrorist finance regime continued to be enhanced through enforcement operations and the inclusion of new groups under national terrorist finance laws. The well-regulated Israeli banking industry worked to address suspected terrorist activity. Israeli experts and officials continued to raise concerns about the issue of state-sponsored funding of Hamas, and said that Hamas funded terrorists in the West Bank preparing to perpetrate terrorist attacks against Israel, Israelis, or Israeli interests.

Financing of Hamas through charitable organizations remained a concern for Israeli authorities, as did the funding of Hizballah through charities and illicit activity. In one high-profile case in August, Israeli police charged Mohammad al-Halabi – the Director of the NGO World Vision in Gaza – with diverting material and financial assistance to Hamas; the charity itself was not implicated in the case.

Israel regularly updates the list of foreign terrorist organizations and individuals involved in terrorism, to implement the UNSC ISIL (Da'esh) and al-Qa'ida sanctions regime. Israel also has a domestic sanctions regime in place with the Anti-Terrorist finance Law of 2005, which allows the Israeli Security Cabinet to declare a foreign organization to be classified as a foreign terrorist organization in coordination with findings presented by a foreign country or by the UNSC.

The new counterterrorism law that entered into force on November 1 significantly reduced the time it takes to adopt international designations. The UN sanctions lists were registered in the formal government registry. Every domestic and UN designation was published in three languages (Hebrew, Arabic, English), and run in three different newspapers, as required by law. In addition, designations were published on the website of the IMPA and distributed by email to the IMPA's mailing list, which included banks, lawyers, and finance professionals.

For further information on money laundering and financial crimes, see the *2017 International Narcotics Control Strategy Report (INCSR), Volume II, Money Laundering and Financial Crimes*: http://www.state.gov/j/inl/rls/nrcrpt/index.htm.

Countering Violent Extremism: The Government of Israel supported several organizations that used educational and interreligious projects to build bridges between citizens of different religions and beliefs. These interfaith initiatives benefitted a wide range of age groups and were conducted in numerous fora, including from elementary schools to universities.

Israel's national program, "City without Violence," supported municipalities and local authorities conducting programs to counter violence, crime, and violent extremism.

Israeli politicians and the public were increasingly concerned about online incitement's role in exacerbating the recent wave of violent attacks by so-called lone offender terrorists. The Israeli government blamed social media companies and online platforms for not doing enough to prevent the proliferation of online content inciting terrorism. The Israeli government also considered legislation to obligate companies, such as Google and Facebook, to do more to prevent incitement. Israel's new counterterrorism law established a new criminal offense for demonstrating solidarity with a terrorist organization or with an act of terrorism, and incitement to terrorism, including via the internet and social media; the new criminal offense replaced and consolidated two existing penal code offenses for incitement to terrorism.

International and Regional Cooperation: Israel continued its counterterrorism cooperation with a range of regional and international institutions, including the United Nations, the Organization of American States, and the Organization for Security and Cooperation in Europe. Israel cooperated with numerous countries to thwart terrorist attacks and plots against Israelis or Israeli interests abroad.

The West Bank and Gaza, and Jerusalem

Overview: The Palestinian Authority (PA) continued its counterterrorism efforts in the West Bank where Hamas, Palestine Islamic Jihad, and the Popular Front for the Liberation of Palestine remained present. The PA Security Forces (PASF) constrained the ability of those organizations to conduct attacks, including through arrests in February and April of Hamas members in the West Bank who were planning attacks against Israelis. The PA exercised varying degrees of authority over the West Bank due to the Israel Defense Forces' (IDF) continuing presence in certain areas, per Oslo-era agreements. The Israeli Security Forces (ISF) also arrested members of suspected terrorist organizations operating in the West Bank and Jerusalem.

Extremist Palestinians continued to conduct acts of violence and terrorism in the West Bank and Jerusalem. The heightened period of violence that began in October 2015 abated significantly in April 2016. However, sporadic lone offender stabbing, shooting, and vehicular attacks against Israelis continued. A majority of perpetrators did not have any known organizational affiliation. Attacks in 2016 resulted in the deaths of five Israeli citizens, including two dual U.S.-Israeli nationals, and three ISF officers.

Extremist Israelis, including settlers, continued to conduct acts of violence as well as "price tag" attacks (property crimes and violent acts by extremist Jewish individuals and groups in retaliation for activity they deemed anti-settlement) in the West Bank and Jerusalem. In March, Israeli settlers set fire to a Palestinian home south of Bethlehem and spray-painted "Death to Arabs" on the walls. The UN reported 101 incidents of settler violence in 2016, compared to 221 in 2015. Israeli NGO Yesh Din reported 19 incidents of settler violence during the October - November Olive Harvest, compared to 15 in 2015. There were no reports of fatalities.

Hamas continued to maintain security control of Gaza. There is evidence that Hamas continued to prepare for future conflict with Israel. Several Gaza-based terrorist and militant groups continued to launch rockets against Israel from Gaza. Gaza remained a base of operations for several Salafist splinter groups, such as Jaysh Al Islam, and clan-based terrorist groups that engaged in or facilitated terrorist attacks. Hamas confronted Salafists in Gaza by arresting and detaining a number of them this year, but at the same time Hamas likely maintained ties to Salafists in the Sinai. Despite claims of responsibility from individuals or groups in Gaza purporting affiliation with ISIS, there is no definitive link confirming membership on a large scale in Gaza.

2016 Terrorist Incidents:

- In February, three Palestinian assailants shot and killed an Israeli National Police (INP) officer and injured a second in Jerusalem's Old City. INP shot and killed the attackers.
- In April, a Palestinian member of Hamas detonated a bomb on a bus in Jerusalem, injuring approximately 21 people. The assailant died of injuries from the explosion.
- In March and July, suspected Israeli settlers conducted two arson attacks against Palestinian homes in the West Bank village of Douma, damaging homes of the relatives

of the Dawabsheh family, whose house in Douma was set on fire by settlers in July 2015 and resulted in the deaths of three Palestinians.

- In June, a Palestinian assailant stabbed to death a 13-year-old Israeli-American dual national in her home in the West Bank settlement of Kiryat Arba. A private security guard fatally shot the attacker.
- In October, a Palestinian member of Hamas shot and killed an Israeli civilian and INP officer, and injured 12 others, while carrying out a drive-by shooting in Jerusalem. INP shot and killed the attacker.

The United States continued to assist the PA's counterterrorism efforts by providing training and equipment to the PASF in the West Bank. The United States also assisted the PA criminal justice system to conduct more thorough investigations and prosecutions of terrorist-related activity, among other criminal acts, and to ensure safe incarceration of those held for trial or after conviction for such crimes.

PA President Mahmoud Abbas reiterated his commitment to nonviolence, recognition of the State of Israel, and pursuit of an independent Palestinian state through peaceful means. President Abbas supported a security program involving disarmament of fugitive militants, arresting members of terrorist organizations, and gradually dismantling armed groups in the West Bank. In July, President Abbas instructed the PASF to intensify measures in the West Bank to ensure the safety and security of people; security services subsequently increased efforts to disrupt criminal activity, including the proliferation of illegal weapons.

Legislation, Law Enforcement, and Border Security: The PA continued to lack legislation specifically tailored to counterterrorism, although existing Palestinian laws criminalize actions that constitute terrorist acts. The PASF were active throughout the year in seizing illegal weapons and closing down weapons manufacturing facilities in the West Bank.

The PA arrested terrorists, including Hamas elements suspected of terrorism, in the West Bank, and the PASF and public prosecutors received training to enable better investigations of terrorism-related crimes. The PA continued to develop its civilian justice institutions (e.g. judiciary, police, prosecutors) to improve both investigative and prosecutorial functions. The United States provided assistance to enable the PA to reduce case backlogs, improve warrant executions, and upgrade forensic services.

The Preventive Security Organization (PSO) is the key PA institution by mandate and law that works to prevent internal terrorist events and investigates security-related criminal conduct. In practice, the General Intelligence Organization and the Military Intelligence Organization also play a critical role in this effort. The PSO conducted investigations in coordination with public prosecutors, but this cooperation could improve, especially the PSO's ability to conduct criminal investigations and gather admissible evidence. The United States assisted the PSO and the Security Forces Justice Commission to help the PA move the prosecution of all civilian cases, including those involving terrorism and security-related offenses, to the exclusive jurisdiction of the civilian courts, and enhance cooperation between security service investigators and public prosecutors.

Per the Oslo-era Accords, Israel controlled border security in the West Bank.

The primary limitation on PA counterterrorism efforts in Gaza remained Hamas' control of the area and the resulting inability of PASF to operate there. Limitations on PA counterterrorism efforts in the West Bank included restrictions on the movement and activities of PASF in and through areas of the West Bank for which the Government of Israel retained responsibility for security under the terms of Oslo-era agreements. Moreover, ISF incursions into Palestinian-controlled Area A at times disrupted ongoing PASF counterterrorism operations.

The PA advanced its forensic capabilities with the official opening of the Palestinian Civilian Police forensic laboratory in November. The laboratory is capable of conducting basic analyses/examinations in firearm and tool mark evidence, document examination, and drug and chemical analysis. The PA already has a basic ability to examine and compare unknown prints to known prints.

Countering the Financing of Terrorism: In 2015, the PA became a full member of the Middle East and North Africa Financial Action Task Force, a Financial Action Task Force (FATF)-style regional body. President Abbas issued Anti-Money Laundering and Terrorist financing Decree No. 20 in December 2015, which criminalizes terrorist financing and defined terrorists, terrorist acts, terrorist organizations, foreign terrorist fighters, and terrorist financing. It also makes terrorism and terrorist acts predicate money laundering offenses, although the decree does not fully meet international standards as it does not criminalize all forms of material support or the financing of an individual terrorist in the absence of a link to a specific terrorist act. Because the legislature has not convened since 2007, the PA remained unable to make legislative improvements (without decree) required to bring the current law up to international standards.

The Palestinian Financial Follow-Up Unit (FFU) is a fully functional financial intelligence unit with 19 employees and a computer system linking it with 15 banks licensed to operate in the West Bank. Seven banks are local and eight are foreign, operating through a network of 302 branches in the West Bank and Gaza. There are 311 money changers. The banks file suspicious transaction reports (STRs) and currency transaction reports electronically through this system. In 2016, banks filed 113 STRs, compared to 108 in 2015. Although the FFU has adequate staffing, authority, and equipment, restrictions in the law hinder its operational effectiveness. The 2007 Anti-Money Laundering Law No. 7 restricts information sharing between the FFU and any law enforcement agency, with the exception of the Attorney General's Office. While the FFU may pass information to any requesting authority according to the 2015 Decree, the Attorney General's Office is the primary recipient of the FFU's information. Moreover, the PA has no effective control outside of Area A. The absence of PA law enforcement and regulatory power in Areas B and C increased vulnerability.

For further information on money laundering and financial crimes, see the *2017 International Narcotics Control Strategy Report (INCSR), Volume II, Money Laundering and Financial Crimes*: http://www.state.gov/j/inl/rls/nrcrpt/index.htm.

Countering Violent Extremism: The PA continued to counter violent extremism in the West Bank through security operations to prevent attacks, the PASF's outreach to Palestinian

communities to alert them to signs of youth at risk of extremism, and monitoring social media for indicators of extremism and intent to carry out violent acts. During an interview broadcast in March, President Abbas said he sent the PASF to schools to look for knives and to caution Palestinian youth against undertaking attacks against Israelis. The PASF thwarted hundreds of lone offender attacks, according to public statements by PA and Israeli government officials.

Continued drivers of violence included a lack of hope in achieving Palestinian statehood, Israeli settlement construction in the West Bank, settler violence against Palestinians in the West Bank, the perception that the Israeli government was changing the status quo on the Haram Al Sharif/Temple Mount, and IDF tactics that the Palestinians considered overly aggressive.

The PA has taken significant steps during President Abbas' tenure (2005 to date) to ensure that official institutions in the West Bank under its control do not create or disseminate content that incites violence. While some PA leaders have made provocative and inflammatory comments, the PA has made progress in reducing official rhetoric that could be considered incitement to violence. Explicit calls for violence against Israelis, direct exhortations against Jews, and categorical denials by the PA of the possibility of peace with Israel are rare and the leadership does not generally tolerate it. In April, President Abbas condemned an attack on a Jerusalem bus and said he was against all forms of terrorist activity that affect Israelis and Palestinians. In November, he said, "Incitement can lead to violence, and we must end it in every place." During a speech to the Seventh Fatah General Congress in November, Abbas expressed his commitment to fight terrorism and to cooperate with regional and international parties in this endeavor, while reaffirming a "culture of peace and tolerance and the renunciation of violence and extremism." According to the PA's Palestinian Broadcasting Company's code of conduct, it does not allow programming that encourages "violence against any person or institution on the basis of race, religion, political beliefs, or sex." In practice, however, some instances of incitement took place via official media. There were also some instances of inflammatory rhetoric and the posting of political cartoons glorifying violence on official Fatah Facebook pages.

The PA maintains control over the content of Friday sermons delivered in approximately 1,800 West Bank mosques to ensure that they do not endorse incitement to violence. Weekly, the PA Minister of Awqaf and Religious Affairs distributes approved themes and prohibits incitement to violence. The PA's ability to enforce these guidelines varies depending upon the location of the Mosques and it had limited authority to control the content of sermons in Israeli-controlled Area C. A senior PA religious official met in October with prominent Israeli rabbis to discuss ways to increase religious tolerance in the region.

As part of a policy codified in 2003, the PA provided financial packages to Palestinian security prisoners released from Israeli prisons in an effort to reintegrate them into society and prevent recruitment by hostile political factions.

International and Regional Cooperation: PA justice and security leaders continued to participate in regional conferences and meetings to counter terrorism. PASF personnel attended a variety of international training courses related to counterterrorism at training facilities in Jordan, Europe, and the United States.

JORDAN

Overview: Jordan remained a committed partner on counterterrorism and countering violent extremism in 2016. As a regional leader in the Global Coalition to Defeat ISIS, Jordan played an important role in Coalition successes in degrading the terrorist group's territorial control and operational reach. Jordan faced a marked increase in terrorist threats, both domestically and along its borders. Jordanian security forces thwarted several plots and apprehended numerous violent extremists, but the year ended with the deadliest terrorist incident the country has witnessed in over a decade. Fourteen people were killed during a series of clashes between gunmen and security forces in and around the southern city of Karak on December 18. The dead included a Canadian tourist, two Jordanian civilians, seven security personnel, and four attackers. The incident began when the perpetrators attacked security personnel investigating reports of an explosion in their rented apartment, which was followed by a five-hour standoff at Karak Castle, a site popular with tourists. Security operations in the vicinity two days later led to a shootout between gunmen and Jordanian security forces, resulting in the death of four security personnel.

Attacks in 2016 predominantly targeted Jordan's security institutions: the Jordan Armed Forces (JAF), General Intelligence Directorate (GID), and Public Security Directorate (PSD). Jordan continued to be a target for terrorist groups, including ISIS and al-Qa'ida, for several reasons, including its proximity to regional conflicts in Iraq and Syria, the state's official rejection of Salafi-Jihadi interpretations of Islam, and its membership in the Defeat-ISIS Coalition.

Border security remains an overarching priority for the Government of Jordan, given fears that violence from the conflict in neighboring Syria will spill over into its territory. Government of Jordan concerns are amplified by the presence of ISIS-aligned group Jaysh Khalid bin Waleed (JKW) in southwest Syria, just miles from Jordan's border.

There are many Jordanian nationals among foreign terrorist fighters in Iraq and Syria. While the number of Jordanian foreign terrorist fighters traveling to Iraq and Syria declined in 2016 - consistent with global trends and as a result of Jordan's continued border security efforts – the threat of domestic radicalization remains.

2016 Terrorist Incidents: Jordanian citizens were linked to terrorist cells and conducted a number of terrorist attacks in Jordan. The attack against a GID sub-facility in Baqa'a in June, the assassination of a Jordanian journalist in Amman in September, and the assault launched by a suspected ISIS cell in Karak in December, all involved Jordanian citizens. High-profile attacks included:

- On June 6, a lone gunman attacked a GID sub-facility near the Palestinian refugee camp of Baqa'a, in the early morning hours. Five personnel were killed.
- On June 21, suspected ISIS members attacked a Jordanian border post near Rukban, along Jordan's northeast border, with a vehicle-borne improvised explosive device. The attack resulted in the deaths of seven security personnel, with several more wounded.
- On December 18, 14 people, including four attackers, were killed in the southern city of Karak and the nearby town of Qatraneh when gunmen opened fire on PSD at multiple

locations. The attackers eventually holed up in Karak Castle for a five-hour gunfight with authorities.
- On December 20, four security personnel were killed in a standoff with suspected terrorists near Karak.

Legislation, Law Enforcement, and Border Security: The State Security Court (SSC) is the primary legal apparatus with jurisdiction over crimes that touch on national security, including terrorism cases. Amendments to the SSC law, adopted in 2014, attempted to limit the court's jurisdiction to five crimes – treason, espionage, terrorism, drug-related offenses, and currency forgery, although the SSC jurisdiction was extended to a broad interpretation of these crimes. The amendments also placed civilian judges on the SSC bench, although all prosecutors remain military officers. During 2016 Jordanian authorities took legal action against numerous individuals accused of terrorism under Jordanian law. SSC verdicts related to terrorism are published almost daily in local media. Some of the more prominent cases follow:

- On July 13 the SSC filed charges against 21 suspected ISIS affiliates in connection with the pre-emptive March raid on an alleged ISIS safe house in Irbid. The defendants were charged with carrying out terrorist acts, using weapons that resulted in the death of a Jordanian soldier, possessing weapons and explosives, and "propagating ISIS ideology," a charge often used for online activity.
- On August 4, the SCC sentenced to death the perpetrator of the June 6 attack on a GID sub-facility near Baqa'a that resulted in the death of five security personnel. A second defendant was charged with selling a weapon to the shooter and sentenced to one year in prison.
- On December 20, the SSC sentenced to death the man accused of murdering Jordanian journalist Nahed Hattar on September 25. The attacker was charged with carrying out a deadly terrorist attack, incitement, premeditated murder, and possession of an illegal firearm.
- The SSC prosecuted several individuals in 2016 for "propagating ISIS ideology." Sentences for such cases typically last two to three years.

The Government of Jordan adopted its first counterterrorism law in 2006, in the wake of the 2005 Amman hotel bombings. This law was subsequently amended in 2014 in response to increasing threats to Jordan from violent extremist organizations operating domestically and across the border in Iraq and Syria. The new amendments enacted harsher sentences in terrorism cases and broadened the scope and definition of activities considered terrorism to facilitate the Government of Jordan's ability to prosecute material and ideological support for terrorism. Following passage of the 2014 amendments, Jordan's counterterrorism law broadly defined terrorism to include speech-related offenses deemed to "harm relations with a foreign state, undermine the regime, or expose Jordan to harmful acts." Human Rights-focused NGOs criticized the law's implementation on the grounds it restricts freedom of expression and peaceful dissent against the government. Since the amendments came into effect in 2014, authorities have arrested several journalists and religious leaders for speech-related offenses.

GID is the primary government agency responsible for counterterrorism, and it operates with support from various elements within the JAF, PSD, and Gendarmerie. Although Jordan's

civilian and military security agencies are more professional and effective than others in the region, increased terrorist threats strained their incident response capabilities and coordination mechanisms in 2016. The Government of Jordan is implementing measures to improve interagency coordination among security agencies during responses to terrorism-related events. Notably, during the December attacks in Karak, the Government of Jordan activated the National Center for Security and Crisis Management under the direction of King Abdullah II; the facility served as the coordination hub for the GID, JAF, PSD, and Gendarmerie response to the incidents.

Jordan continued to reinforce its border defenses and surveillance capabilities in response to terrorist and criminal threats emanating from its 230 mile border with Syria and 112 mile border with Iraq. In 2016, the JAF maintained an increased presence along the borders with Syria and Iraq, and continued implementation of the Jordan Border Security Program to improve the JAF and Jordan Customs' surveillance and interdiction capabilities to deter, detect, and interdict terrorist and other illicit activity on the frontier and at ports of entry (POEs). Jordan conducts official screening of travelers at POEs, including at airports, and uses biometric systems in line with international standards. Jordan also routinely provides advanced passenger information to partner nations, and shares names with INTERPOL watchlists and databases. Jordanian authorities continued to use the U.S.-provided Personal Identification Secure Comparison and Evaluation System (PISCES) at unofficial border crossing sites along the Syrian border to complement the border screening system at official POEs. Jordan also participated in the Department of State's Antiterrorism Assistance program.

On March 1-2, Jordan's security services launched a preemptive raid on a suspected ISIS safe-house in the northern city of Irbid. The operation lasted more than 12 hours and resulted in the death of one JAF officer and seven suspected terrorists. Jordan's security services had previously arrested 13 individuals with suspected links to the cell and rounded up several more in the weeks following the raid.

Countering the Financing of Terrorism: Jordan is a member of the Middle East and North Africa Financial Action Task Force (MENAFATF), a Financial Action Task Force (FATF)-style regional body, and also a member of the Coalition's Counter-ISIS Finance Group. Jordan's financial intelligence unit, the Anti Money Laundering and Counter Terrorist financing Unit (AMLU Jordan), has been a member of the Egmont Group of Financial Intelligence Units since 2012.

AMLU Jordan routinely receives and responds to requests for information from counterpart units. Under the obligations of the UN Security Council ISIL (Da'esh) and al-Qa'ida sanctions regime, other relevant resolutions regularly disseminate the names of designated individuals and entities to financial institutions. AMLU Jordan also monitors U.S. designations under executive order (E.O.) 13224, and shares this information internally with the Technical Committee. The number of suspicious transaction reports received by AMLU Jordan in 2016 nearly doubled from 2015 – a reflection of AMLU Jordan's efforts to educate currency exchangers, real estate developers, and commercial banks on identifying potentially suspicious transactions. AMLU Jordan transferred a number of cases for prosecution; however, information on prosecution outcomes was not available.

For further information on money laundering and financial crimes, see the *2017 International Narcotics Control Strategy Report (INCSR), Volume II, Money Laundering and Financial Crimes*: http://www.state.gov/j/inl/rls/nrcrpt/index.htm.

Countering Violent Extremism: King Abdullah II continued to promote his "Amman Declaration" of 2004, calling for tolerance and peace within the Islamic community, and rejecting "wanton aggression and terrorism." The King has repeatedly voiced Jordan's commitment to countering violent extremist messaging and rhetoric, noting at the 2016 UN General Assembly that, "The central and most vital battleground for this defining war of our generation is the mind. The despicable, damaging ideology of hate… must be confronted with a counter-narrative of hope, tolerance, and peace." The Jordanian government's countering violent extremism (CVE) interventions included counter-messaging and religious education, awareness-raising, and rehabilitation support for former violent extremists. Jordan worked with the UN Development Programme to develop a holistic National Strategy on Preventing/Countering Violent Extremism, which is expected to establish roles and responsibilities for government entities and promote the involvement of non-governmental organizations, civil society, and the private sector in CVE initiatives.

Regional and International Cooperation: Jordan is a founding member of the Global Counterterrorism Forum, and is a member of the Arab League, the Organization for Islamic Cooperation, the Global Initiative to Combat Nuclear Terrorism, and the Proliferation Security Initiative.

Jordan continued to host and conduct training for Palestinian Authority Security Forces and Civil Defense, in addition to other police forces from around the region.

KUWAIT

Overview: The Kuwaiti government disrupted several terrorist plots in 2016 and expanded its efforts to counter violent extremism. It also expanded its capacity to counter the financing of terrorism, imposing additional scrutiny on charitable organizations' financial transactions. ISIS accounted for the primary threat, inspiring two lone-offender attacks, one against Kuwaiti police officers and another against U.S. military service members. In both cases, the attackers used a moving vehicle as a weapon, without employing other weapons or explosives. Al-Qa'ida in the Arabian Peninsula (AQAP) posed a secondary threat. A member of the Small Group of the Global Coalition to Defeat ISIS, Kuwait continued to support Coalition forces deployed in support of Operation Inherent Resolve, and was also a leader in the Defeat-ISIS Coalition's humanitarian assistance line of effort. Kuwait co-leads the Coalition's Foreign Terrorist Fighter working group. On October 21, Kuwait co-chaired the first bilateral Strategic Dialogue with the United States, in which both sides pledged to bolster their security partnership by countering terrorism and terrorist financing, particularly through enhanced information sharing.

2016 Terrorist Incidents: Kuwait experienced two terrorist incidents:

- On February 25, a 21-year-old Kuwaiti national ran over five police officers, killing one officer and injuring the rest. News media reported the attacker had confessed to planning to participate in "jihad" in Syria; official reports described him as under psychiatric evaluation.
- On October 6, a 28-year-old Egyptian expatriate worker deliberately rammed a large flatbed construction vehicle into a smaller pick-up vehicle carrying three U.S. military service members. None of the U.S. personnel were injured.

Legislation, Law Enforcement, and Border Security: While Kuwait did not have a comprehensive counterterrorism legal framework, it continued to prosecute crimes involving terrorism under its general criminal law (law #31 of 1970), and also prosecuted crimes involving both terrorism and the use of explosives under law #35 of 1985. Although law #106 of 2013 was introduced as anti-money laundering/countering the financing of terrorism (AML/CFT) legislation, Kuwaiti officials observed that it contained articles that could be – and subsequently were – used by courts to prosecute terrorist attacks without a terrorist-financing component.

In March, Kuwait – along with other members of the Gulf Cooperation Council (GCC) – designated Hizballah as a terrorist organization.

In July, a member of the National Assembly (the parliament) presented a bill to criminalize "any acts of support or affiliation with terrorist organizations," with an emphasis on ISIS. The draft calls for prison terms ranging from 10 to 20 years for convicted defendants. Other members of Parliament suggested adding Hizballah and the Iraqi Dawa Party to the list of terrorist organizations included in the draft legislation. The National Assembly did not pass the bill.

The Ministry of Interior (MOI) held primary responsibility for terrorist incident reporting and response. MOI elements responsible for criminal investigations, national security, border security, and electronic security demonstrated the capacity to detect, deter, and respond to terrorist incidents. The MOI's semi-autonomous arm, Kuwait State Security, handled some aspects of terrorism-related investigations. In general, law enforcement units investigated citizen complaints regarding human rights violations and took disciplinary action against personnel involved. There were some allegations that investigations were insufficient in some cases involving torture accusations. Terrorist incidents with a military dimension or those taking place in Kuwaiti waters, fell under the purview of the Ministry of Defense. Kuwaiti officials confirmed the existence of specific plans to prevent and respond to terrorist attacks against soft targets, such as major hotels, stadiums, tourist resorts, and cultural sites. Most of those locations already maintained a visible police presence in the form of stationary security points and patrols.

In 2016, the government stopped several attempts by foreign nationals to enter illegally. In August, for example, the authorities intercepted and arrested 10 Iranian nationals attempting to enter Kuwaiti waters illegally aboard a ship. Kuwait employed biometric systems at all ports of entry, checking the identity of travelers against its own terrorist-screening database. The government launched a major effort aimed at bringing the security of Kuwait International Airport up to internationally-recognized standards.

In January, a criminal court sentenced to death two of the 26 suspects accused of amassing, on behalf of Iran and Hizballah, a large cache of ammunition, weapons, and explosives at a farm near the Iraqi border, which the authorities raided in August 2015. It also handed down prison sentences ranging up to 20 years to 12 defendants and acquitted 12 others.

In March, following the collective GCC designation of Hizballah as a terrorist organization, the authorities terminated the residencies of an unspecified number of Iraqi, Lebanese, and Syrian expatriates (reported in the media to number around 1,100) for suspected affiliation with Hizballah. Enforcement measures included immediate deportation, orders to depart Kuwait within a grace period, denial of visa-renewal requests, and denial of admission at the port of entry.

In May, the Supreme Court upheld a lower-court death sentence against the primary defendant in the June 2015 bombing of the Imam Sadeq mosque. In July, the Appeals Court upheld three of the jail verdicts against other defendants in the same case, commuting 11 additional verdicts to shorter jail sentences or fines and acquitting the remaining 12 defendants.

In July, the authorities announced the disruption of three ISIS cells planning to attack a Shia mosque and several police stations. One of the cases reportedly involved two Kuwaiti-national foreign terrorist fighters, a mother and a son, who were lured back to Kuwait from Syria by the authorities.

In August, a judge who had issued death sentences to defendants in the 2015 Imam Sadeq mosque bombing case received anonymous death threats, and the Supreme Court building, likewise, received anonymous bomb threats. In response, the authorities made several arrests, increased security protection for the judge, and heightened security precautions around the building.

Also in August, security forces arrested a Philippines national for pledging allegiance to ISIS, after she confessed to entering Kuwait under the pretense of working as a domestic employee to attack targets of opportunity. In late August, the Public Prosecutor detained a Kuwaiti computer hacker for recruiting youths to join ISIS. Charges against him included traveling abroad to fight a foreign government.

In October, Kuwaiti security forces detained an Egyptian national who rammed a truck carrying explosives and ISIS-related paraphernalia into a car carrying five U.S. military personnel. At year's end, the subject remained in custody on terrorism charges and faces up to life in prison.

In November, the Appeals Court sentenced a Kuwaiti to seven years in jail for "embracing the ideas and methodology of ISIS and encouraging others to join the group." This was the first time a Kuwaiti court specifically penalized ideological affiliation with a terrorist organization – uncoupled from an act of terrorism – and specifically flagged recruitment as a criminal offense.

In December, the Criminal Court sentenced a Kuwaiti foreign terrorist fighter to five years in jail for joining ISIS in Syria. The subject confessed to having assisted ISIS by using his engineering expertise to market oil extracted from wells under its control.

Kuwaiti officials stressed that the absence of a systematic mechanism for terrorist watchlisting and information sharing with other GCC members hampered efforts to detect and arrest foreign terrorist fighters before they arrived in the country.

Countering the Financing of Terrorism: Kuwait is a member of the Middle East and North Africa Financial Action Task Force, a Financial Action Task Force-style regional body, and the Coalition's Counter-ISIS Finance Group. The Government of Kuwait took important steps to build its countering the financing of terrorism (CFT) capacity and oversaw CFT through a cabinet-level committee chaired by the Minister of Foreign Affairs (MFA) representing 11 ministries and agencies. The Kuwaiti government empowered the Public Prosecution Office to handle CFT cases; developed its financial intelligence unit, the Kuwait Financial Investigations Unit (KwFIU); and intensified charity supervision through the Ministry of Social Affairs and Labor (MOSAL) and the MFA. Although the Government of Kuwait has recently taken these steps and other important capacity-building efforts to address terrorist financing deficiencies, a number of UN-designated terrorist financiers continued to operate in Kuwait.

The KwFIU continued its progress towards joining the Egmont Group of Financial Intelligence Units; its on-site inspection for Egmont Group membership took place in December 2016, following up on a 2014 application for membership.

In 2016, the Appeals Court upheld sentences against an Australian national, four non-Kuwaiti Arabs, and three Kuwaitis for illegally raising funds and recruiting enlistees on behalf of a terrorist organization. The verdicts included prison sentences for the defendants, asset freezes for a Kuwait-based export-import company – which was allegedly used as a front for the defendants' illicit financial dealings – and confiscation of the defendants' personal assets.

MOSAL took steps to regulate and monitor charitable fund-raising, including closing two domestic charities for non-compliance and illegal fundraising on behalf of foreign beneficiaries. In addition, all fundraising campaigns intended for foreign beneficiaries require pre-approval from the MFA. The MOI is responsible for responding to violations.

During Ramadan, MOSAL only allowed charitable donations to be collected via debit card or electronic funds transfer transactions, as opposed to cash donations, to enable financial authorities to monitor fund transfers and prevent money laundering and terrorist financing. Simultaneously, the Central Bank of Kuwait publicly announced those licensed charities permitted to accept donations via bank transfers and MOSAL closed eight unlicensed organizations during Ramadan for collecting donations without prior authorization.

For further information on money laundering and financial crimes, see the *2017 International Narcotics Control Strategy Report (INCSR), Volume II, Money Laundering and Financial Crimes*: http://www.state.gov/j/inl/rls/nrcrpt/index.htm.

Countering Violent Extremism: The government was in the final phase of preparing a "national plan to reinforce moderation," a collaborative effort among the MOI, MOSAL, and ministries of information, education, Islamic affairs, and youth. Pending approval by the

Council of Ministers (the cabinet), the plan would implement 48 specific initiatives aimed at constraining radicalization and reinforcing national security. These interagency initiatives, the first of their kind, included measures addressing drug abuse, forming youth clubs to promote tolerant interpretations of Islamic teachings, and encouraging citizens and expatriates alike to recognize and report early signs of radicalization in children and adolescents. The Minister of Justice and the Minister of Awqaf and Islamic affairs continued to warn imams to keep their sermons consistent with the general law on political speech and avoid discussing political issues during their sermons or at any other time while in the country.

Kuwaiti officials acknowledged that connecting with youth via new social media platforms was the biggest challenge to their efforts to spread tolerance and fight radicalization to violence. To address this, the government started a joint research effort with the media department of Kuwait University to detect early signs of youth radicalization on social media.

International and Regional Cooperation: Kuwait participated in counterterrorism efforts in a number of international fora, particularly the GCC. It supported broad global counterterrorism aims in co-hosting (along with Canada, Germany, Japan, the Netherlands, and the United States) the July 20 Pledging Conference in Support of Iraq's Stabilization in Washington, DC. A member of both the Global Counterterrorism Forum and the Global Initiative to Combat Nuclear Terrorism and Proliferation, Kuwait participated in several security initiatives and attended a number of counterterrorism-themed international meetings in 2016.

LEBANON

Overview: Lebanon was a committed partner in the counter-ISIS fight during 2016, and its ground forces represented one of the most effective counterterrorism forces in the region. U.S. forces partnered closely with Lebanon's full defense and law enforcement security apparatus as Lebanon continued to face significant internal and external terrorist threats in 2016, and a number of terrorist attacks occurred throughout the year. Lebanon also faced threats from unconventional attacks against the Lebanese Armed Forces (LAF) and other security services from both ISIS and al-Nusrah Front (al-Qa'ida's affiliate in Syria) terrorists, who operated along the porous, un-demarcated eastern border with Syria. The continued presence of these Syria-origin Sunni extremists in Lebanese territory underscored that border security is central to maintaining Lebanon's stability and the importance of enabling the Lebanese government to exercise its full sovereignty, as mandated by UN Security Council resolution (UNSCR) 1701.

Hizballah, with considerable support from Iran, remained the most capable terrorist group in Lebanon. The group was a powerful political actor and enjoyed popular support among Lebanese Shia and a degree of political support from some allied Christians. Hizballah justified its stockpile of arms for its "resistance" to Israel, and increasingly to protect Lebanon from extremist Sunni groups, including ISIS. Hizballah also continued its military role in Syria in support of the Bashar al-Assad regime and proved to be a critical force in supporting the regime. Iran's Islamic Revolutionary Guard Corps has had a presence in Lebanon since the early 1980s and reportedly coordinated closely with Hizballah on military operations and training.

Despite the lack of a fully operational central government for much of the year due to Lebanon's presidential vacancy, various institutions of the Lebanese state, including the LAF, Internal Security Forces (ISF), Directorate of General Security (DGS), Directorate General of State Security (DGSS), and Central Bank continued to cooperate with international partners in countering terrorism and scored notable successes in the disruption of terrorist networks and in combating terrorist forces. The United States remained Lebanon's closest counterterrorism partner; U.S. assistance focused on maintaining border security and strengthening Lebanon's security institutions to better counter terrorist threats.

Lebanese authorities were challenged not only by the significant economic burden of hosting over one million Syrian refugees, but also by fears of potential militant recruitment and infiltration among the refugee population. ISIS and al-Nusrah Front's exploitation of informal refugee settlements further hardened Lebanese attitudes towards Syrian refugees. Terrorists also operated out of Lebanon's 12 Palestinian camps, particularly the largest, Ain el-Helweh.

Lebanon is a member of the Global Coalition to Defeat ISIS, and participates in all four of the Coalition's civilian working groups. The Lebanese security forces sought to impede the flow of Sunni foreign terrorist fighters both to and from Syria by working to secure the border and by conducting counterterrorism operations. The LAF, ISF, and DGS were also actively engaged in monitoring potential ISIS and other Sunni extremist elements in Lebanon, disrupting their activities and networks, and arresting those suspected of plotting terrorist attacks. The government expanded its efforts to counter ISIS messaging, particularly through online communication and social media campaigns promoting tolerance online. In accordance with UNSCR 2178, the Lebanese government increased security measures at airports, border crossings, and ports to prevent the flow of ISIS and al-Nusrah Front fighters to Syria and Iraq; however, Lebanon lacks laws criminalizing foreign terrorist fighter activity and the government has not taken action to prevent Hizballah fighters from traveling to Syria or Iraq.

2016 Terrorist Incidents: Lebanon suffered from a number of terrorist incidents in 2016, ranging in type and alleged perpetrator. Five of the most significant events are listed below:

- On January 8, Syrian militants affiliated with ISIS conducted a drive-by shooting at the house of an ISF Information Branch officer near the town of Aarsal. The killing was reportedly in retaliation for the officer's undercover work against ISIS in Aarsal.
- On April 12, unknown militants assassinated a senior Fatah official with a bomb outside Ain el-Helweh, Lebanon's largest and most volatile Palestinian camp.
- On June 12, a bomb exploded outside a Blom Bank location in downtown Beirut, damaging the bank's structure, but causing no injuries. The bomb was widely considered to be a message from Hizballah to the banking sector over implementation of Central Bank circulars focused on Hizballah.
- On June 27, a series of eight suicide bombings killed five people and wounded at least 28 others in the Christian village of al Qaa in the Bekaa valley. It is unknown who perpetrated the bombings.
- On August 31, a bomb outside Zahle killed one person and injured several others in the Bekaa Valley. The bombing was thought to be targeting Shia participants traveling to an Ashura celebration event in Southern Lebanon.

Legislation, Law Enforcement, and Border Security: Lebanon does not have a comprehensive counterterrorism law, but several articles of Lebanon's criminal code are used to prosecute acts of terrorism. Implementation of these articles is at times hindered by Lebanon's complex confessional political system and also by Hizballah's restriction of access to attack sites within areas under its control. The cabinet did not consider legislative initiatives that could potentially threaten Hizballah's operations, as the presence of Hizballah and its political allies in the government make the requisite consensus on such actions impossible. State security agencies remained functional in countering non-Hizballah terrorism.

The LAF, ISF, DGS, and DGSS are the primary government agencies responsible for countering terrorism. Despite notable counterterrorism successes in 2016, the law enforcement capacity of these agencies was overstretched due to the magnitude of the country's terrorism-related threats. Although cooperation among the services was inconsistent, all services have taken steps to improve information sharing and are receptive to additional training to expand capacity.

Lebanon has been a participant in the Department of State's Antiterrorism Assistance program since 2006; this assistance has focused on border security as well as building law enforcement's investigative and leadership capabilities. The Department of State has also provided assistance to improve the capabilities of the ISF through a multi-year program that includes construction of training facilities and establishment of a secure radio communications system; provision of vehicles, protective gear, and other types of equipment; and upgrading of Lebanon's biometrics capabilities. The ISF has worked to prevent Sunni violent extremist recruitment and the direction of terrorist activities by prison inmates and has built a new facility at Lebanon's main prison to house high-threat prisoners.

The LAF has primary responsibility for securing Lebanon's borders, but worked collaboratively with other agencies to prevent the infiltration of terrorists and illicit goods. The services have increased security measures at airports, border crossings, and ports to prevent the flow of ISIS and al-Nusrah Front fighters to Syria and Iraq, with a special emphasis on detecting counterfeit passports. The DGS, under the Ministry of Interior (MOI), controls immigration and passport services, and uses an electronic database to collect biographic data for travelers at the airport; however, it does not collect biometric data at land borders. Lebanon collects and disseminates Passenger Name Records (PNR) on commercial flights, and is preparing to begin collecting advanced passenger information in 2017.

The Lebanese security services disrupted multiple terrorist networks and made several high-profile arrests in 2016. On November 25, the army conducted a raid into Aarsal to capture a high-level ISIS figure, and conducted a similar raid on September 22, in Ain el-Helweh, to apprehend another notable ISIS figure. In July and August, more than 30 militants associated with terrorist and violent extremist groups turned themselves in from Ain el-Helweh, citing pressure from the LAF and local Palestinian groups. In addition to the arrests, the LAF also disrupted an ISIS plot to attack Western targets in and around Beirut. The LAF increasingly claimed that violent extremists used Syrian refugee settlements as cover for their activities and as places of refuge.

The United States maintains close ties with the Lebanese security services and often receives and provides support in a wide variety of cases. While the majority of these involve terrorism, bilateral cooperation has expanded to missing persons, child custody disputes, and financial crimes. There are, however, several individuals on the U.S. Federal Bureau of Investigation's most wanted list still located in Lebanon. Lebanese authorities maintained that amnesty for Lebanese nationals involved in acts of violence during the 1975-1990 civil wars prevented terrorism prosecutions of concern to the United States.

Countering the Financing of Terrorism: Lebanon is a member of the Middle East and North Africa Financial Action Task Force, a Financial Action Task Force-style regional body. Lebanon's financial intelligence unit, the Special Investigation Commission (SIC), is a member of the Egmont Group of Financial Intelligence Units. Lebanon also participates in the Coalition's Counter-ISIS Finance Group. Lebanese government officials and financial leaders repeatedly met with U.S. government officials regarding the intent and implementation of actions consistent with the U.S. Hizballah International Financing Prevention Act (HIFPA) of 2015. The Central Bank of Lebanon directed Lebanese banks to fully comply with HIFPA.

Lebanon strengthened its overall efforts to disrupt and dismantle money laundering and terrorist financing activities, including those of Hizballah. In October, Lebanon's parliament passed a new tax law strengthening Lebanon's Anti-Money Laundering/Countering the Financing of Terrorism (AML/CFT) regime. The Central Bank issued a circular that directed Lebanese financial institutions to comply with the HIFPA. The Central Bank's Special Investigation Committee (SIC) issued additional HIFPA-related circulars and AML/CFT controls at designated non-financial businesses and professions. The SIC also issued "freezing without delay" regulations in compliance with the UN Security Council ISIL (Da'esh) and al-Qa'ida sanctions regime.

Cooperation between the SIC and local enforcement authorities on terrorist financing cases improved, including through the training of a joint task force with representatives from Customs, the ISF, the SIC, and the judiciary. The SIC referred 29 alleged money-laundering cases to the General Prosecutor, which resulted in 12 prosecutions but no convictions. The SIC did not have figures available for 2016 regarding total cases it received of alleged terrorist financing. The ISF received 48 money laundering allegations from INTERPOL, arrested three persons, and referred five cases for investigation.

For additional information on money laundering and financial crimes, see the *2016 International Narcotics Control Strategy Report (INSCR), Volume II, Money Laundering and Financial Crimes*: http://www.state.gov/j/inl/rls/nrcrpt/index.htm.

Countering Violent Extremism: Several government institutions have programs that seek to counter violent extremism, but the government does not have a national strategy in place. Civil society actors, security institution personnel, and other government actors attended an embassy-funded three-day event focused on fighting online violent extremism. The LAF is developing a comprehensive counter-messaging strategy that amplifies moderate voices and uses television spots, social media, billboards, and SMS texts to counter violent extremist narratives.

International and Regional Cooperation: Lebanon is a member of the Organization of Islamic Cooperation and the Arab League. Lebanon continued to voice its commitment to fulfilling relevant UNSCRs, including 1559 (2004), 1680 (2006), and 1701 (2006). The Special Tribunal for Lebanon, an international body investigating the 2005 assassination of former Prime Minister Rafiq Hariri, received Lebanon's annual contribution of approximately $32.5 million.

The LAF partnered with several nations on a bilateral basis to receive training programs that focused on strengthening its counterterrorism capabilities.

LIBYA

Overview: U.S. counterterrorism policy in Libya is focused on degrading ISIS and other terrorist groups and reducing the threat they pose to U.S. interests in North Africa and Europe. In 2016, Libyan Government of National Accord (GNA)-aligned forces demonstrated that it could be a capable partner with the United States in the fight against ISIS. The GNA, led by Prime Minister Fayez al Sarraj, requested U.S. air support into the fight against ISIS and cooperated consistently and productively with international counterterrorism efforts. In January, U.S. strikes removed two ISIS camps and a foreign terrorist fighter facilitator in Libya's west. Libya's greatest counterterrorism success during the year was the removal of ISIS from its Libyan stronghold in Sirte, a key U.S. objective accomplished in close cooperation with U.S. Africa Command's Operation Odyssey Lighting campaign. GNA-affiliated forces seized the last group of buildings held by ISIS in Sirte in December, removing ISIS from its operational stronghold and temporarily disrupting its long-term ability to conduct and support regional operations in North Africa, the Sahel, and Europe. GNA reports suggested that more than 700 fighters from GNA-aligned forces were killed and 3,200 were wounded during the seven-month-long campaign against ISIS. Although up to 1,700 ISIS militants' bodies were recovered in Sirte, many members of the terrorist organization are thought to have escaped into the vast desert in Libya's west and south, while others may have fled abroad or into neighboring urban centers.

While Sirte was ISIS's center of governance in Libya, concentrations of its fighters were also reported in Darnah and Benghazi during the year. Many fighters in those cities were driven out by year's end, mostly as a result of clashes with the "Libyan National Army" (LNA). ISIS fighters fleeing from Sirte may have escaped to remote desert camps, especially near Sabha and Bani Walid, but some reports indicated that others fled towards Darnah and other urban centers in Libya.

Other terrorist organizations, including Ansar al-Shari'a-Benghazi (AAS-B), Ansar al-Shari'a Darnah (AAS-D), and al-Qa'ida in the Islamic Maghreb (AQIM), retained a presence in Libya in 2016. These groups continued to take advantage of the absence of effective governance in many parts of the country, although the LNA has significantly degraded their capabilities in some areas.

AQIM's priorities are in southern Libya where it has connections with local authorities and militias, to which it provides financial and personnel support.

2016 Terrorist Incidents: The following list of terrorist incidents is designed to highlight major attacks believed to be perpetuated by terrorist groups against Western, Libyan government, and civil society targets. The list of incidents below is not exhaustive or comprehensive, some of the incidents have no claims of responsibility, and it does not include the numerous acts of violence perpetrated by armed militias and other parties to the conflict in Tripoli and other cities.

- On January 7 in Zliten, a suicide truck bomb killed 60 people and wounded 200 people at the al-Jahfal police training camp. ISIS was suspected of the attack.
- On June 13 in Sirte, three people were killed and dozens injured after an attack on soldiers and medical workers at a hospital. ISIS claimed responsibility.
- On August 2 in Benghazi, 22 people were killed by a car bomb that targeted security forces in a residential area. Shura Council of Benghazi Revolutionaries claimed responsibility.
- On September 7 in Darnah, four fighters aligned with the LNA were killed by a landmine in Daher Hamar in western Darnah. ISIS claimed responsibility.
- On October 29 in Benghazi, a car exploded after being hit by a missile in Benghazi's Kisha Square. The explosion killed four civilians, including the head of the Libyan Anti-Corruption Organization, Mohammad Boukaiqis. Thirteen others were injured. No individual or group claimed responsibility for the attack.
- On December 2 in Sirte, several women committed suicide bombings that killed four Libyan soldiers and two other women. ISIS claimed responsibility.

Legislation, Law Enforcement, and Border Security: Libya lacks a comprehensive counterterrorism law, although the Libyan penal code (under Title 2, Section 1, Chapter 1, Article 170 and Title 2, Chapter 2, Article 207) criminalizes offenses prejudicial to state security, including terrorism, the promotion of terrorist acts, and the handling of money in support of such acts. In 2013, the General National Congress (GNC) – at that time Libya's official government – adopted laws no. 27 and 53 outlining a plan to disband non-state militias and integrate them into state security forces; however, neither law was implemented. Libya has ratified the African Union's Convention on the Prevention and Combating of Terrorism, which requires states to criminalize terrorist acts under their national laws.

The GNA, despite internal conflict, proved capable of confronting the terrorist threat in Sirte, requested assistance from the United States, and joined the Global Coalition to Defeat ISIS; however, neither the internationally recognized Tripoli-based GNA nor the legislative House of Representatives in Tobruk produced a strategy to counter the terrorist threat. The Libyan government did not pass any new legislation to confront the growing threat of terrorism throughout the country.

Due mainly to the internal political conflict and the role of numerous militias, Libyan law enforcement personnel lacked the capacity to detect, deter, respond to, or investigate terrorist incidents. There were no reported terrorism-related prosecutions in 2016. In most parts of Libya, security and law enforcement functions were provided by armed militias rather than state institutions. National police and security forces were fragmented, inadequately trained and equipped, and lacked clear reporting chains and coordination mechanisms. Security and law enforcement officials, including prosecutors and judges, were targeted in kidnappings and

assassinations, resulting in the continued suspension of court operations in Benghazi and Darnah. Libya's military was similarly weak and fragmented, with units often breaking down along local, tribal, or factional lines. Counterterrorism operations conducted by Libyan Special Operations Forces have so far failed to significantly reduce the level of terrorist violence, bombings, assassinations, or kidnappings.

The GNA lacked a comprehensive border management strategy and was unable to secure the country's thousands of miles of land and maritime borders, enabling the illicit flow of goods, weapons, antiquities, narcotics, migrants, and foreign terrorist fighters that posed serious security challenges to the region. Libyan border security forces were generally poorly trained and underequipped and frequently participated in illicit cross-border trade. Border security infrastructure damaged and looted during the 2011 revolution has not been repaired or replaced, and the ongoing conflict has affected border security infrastructure along Libya's border with Tunisia. Security at Libya's airports was minimal with limited document screening and no utilization of passenger name record systems or biometric technology. Libya also lacked the resources, manpower, and training to conduct sufficient maritime patrols to interdict or deter illicit maritime trafficking and irregular migration.

According to the International Organization of Migration, 181,436 arrivals were recorded by sea in 2016 to Italy through the central Mediterranean route, mainly transiting from Libya to Italy. A total of 18,904 migrants were rescued off the Libyan coast and 4,576 died. The majority of the migrants used the porous southern borders of Libya to traverse from sub-Saharan African countries and embark on boats along the Libyan shores. Existing legislation outlining the responsibilities of various government agencies in the area of border management is vague and often contradictory, resulting in ad hoc and poorly coordinated efforts.

The European Union (EU) Border Assistance Mission to Libya is mandated to plan for a possible future EU mission providing advice and capacity building in the areas of criminal justice, migration, border security, and counterterrorism at the request of the Libyan authorities. The mission is located in Tunis and has maintained contact with the relevant Libyan authorities.

Libya has expressed the desire to cooperate in the investigation of terrorist attacks against U.S. citizens and interests, including the September 2012 killing of Ambassador Christopher Stevens and three other U.S. citizens at U.S. government facilities in Benghazi, although Libyan capacity to provide support in this regard has been limited. In 2013, the Libyan Ministry of Justice signed a Declaration of Intent to facilitate law enforcement cooperation with the United States on investigations, including that of the 1988 Pan Am Flight 103 bombing.

Countering the Financing of Terrorism: Libya is a member of the Middle East and North Africa Financial Action Task Force, a Financial Action Task Force-style regional body, and also the Coalition's Counter-ISIS Finance Group. Libya has implemented a national identification database system to improve transparency in government salary payments; however, there is little reliable data on Libya's anti-money laundering/countering the financing of terrorism (AML/CFT) efforts.

While the Libyan government and financial institutions generally lack the ability to identify and interdict illicit financial flows, the Central Bank and the financial intelligence unit (FIU) has made critical strides to build its AML/CFT capacity. In 2016, the Central Bank issued Customer Due Diligence regulations for Libyan financial institutions. Libya does not currently have a CFT law and lacks the ability to freeze the assets of UN-designated individuals, per its obligations under the UN Security Council ISIL (Da'esh) and al-Qa'ida sanctions regime, but has drafted a comprehensive AML/CFT law and expects to enact the law in 2017. In addition, the Libyan government has operationalized its FIU and reorganized its structure to prioritize AML and CFT.

For further information on money laundering and financial crimes, see the *2017 International Narcotics Control Strategy Report (INCSR), Volume 2, Money Laundering and Financial Crimes*: http://www.state.gov/j/inl/rls/nrcrpt/index.htm.

Regional and International Cooperation: After increased armed civil conflict in July 2014, nearly all diplomatic missions in Libya, including the UN Support Mission in Libya, withdrew from the country. In 2016, there were few foreign diplomats present in Tripoli on a permanent basis, although several European countries' diplomats began to visit Tripoli and other parts of Libya more frequently after the GNA's March 2016 seating in the capital. The political conflict and lack of an international presence in Libya severely limited regional and international cooperation on counterterrorism activities. Most bilateral engagement programs, which previously sought to increase the capacity of Libya's law enforcement and defense institutions, have been on hold since 2014.

Countering Violent Extremism: Libya has not adopted a comprehensive strategy for countering violent extremism. Continuing online threats, kidnappings, and assassinations of activists who speak out against violent extremists contributes to a culture of intimidation and self-censorship.

MOROCCO

Overview: Morocco has a comprehensive counterterrorism strategy that includes vigilant security measures, regional and international cooperation, and counter-radicalization policies. The government has treated counterterrorism as a top priority since the country experienced suicide bombing attacks in Casablanca in 2003, and that focus has been reinforced by attacks in 2007 and 2011. In 2016, Morocco's counterterrorism efforts effectively mitigated the risk of terrorism, although the country continued to face threats, largely from small, independent violent extremist cells. The majority of the cells claimed to be inspired by or affiliated with ISIS.

During the year, authorities reported the disruption of multiple groups with ties to international networks that included ISIS, al-Qa'ida in the Islamic Maghreb (AQIM), and al-Nusrah Front (al-Qa'ida's affiliate in Syria). According to local media, Moroccan security forces dismantled 18 terrorist cells and conducted 161 terrorism-related arrests in 2016, including of Algerian, Chadian, French, and Italian nationals. The government remained concerned about the potential return of Moroccan foreign terrorist fighters who could conduct attacks at home or potentially in Western Europe. Moroccan authorities reported approximately 1,500 Moroccan nationals are foreign terrorist fighters. As a result of increased international cooperation and vigilance by

Moroccan authorities, and consistent with global trends on foreign terrorist fighters, only a few Moroccans departed for Iraq or Syria in 2016.

Morocco is a founding member of the Global Counterterrorism Forum (GCTF) and the Global Coalition to Defeat ISIS, and participates in all of the Coalition Working Groups. In April 2016, Morocco took over the GCTF co-chair role from Turkey. Morocco and the Netherlands serve as GCTF co-chairs and the co-chairs of the GCTF Foreign Terrorist Fighters Working Group.

Legislation, Law Enforcement, and Border Security: Morocco enacted comprehensive counterterrorism legislation in 2003. In 2015, Morocco expanded existing legislation to address the foreign terrorist fighter threat by widening the definition of terrorist offenses to cover terrorist acts or attempts to join a terrorist group and involvement in recruitment and training activities, making it compliant with UN Security Council resolution (UNSCR) 2178 (2014). This law also extended the jurisdiction of national courts to allow the prosecution of foreign nationals who commit terrorist crimes outside Morocco if they are present on Moroccan soil.

Moroccan law enforcement units aggressively targeted and effectively dismantled terrorist cells within the country by leveraging intelligence collection, police work, and collaboration with regional and international partners. The Moroccan Central Bureau of Judicial Investigation (BCIJ), a central institution established in 2015, is the primary law enforcement agency responsible for counterterrorism law enforcement. Reporting to the General Directorate for Territorial Surveillance (DGST), the BCIJ operates under the supervision of the public prosecutor of the Court of Appeals. The Penal Procedure code grants DGST agents the rank of judicial police officers, allowing them to conduct investigations, questioning, and arrests. The Penal Procedure code also grants DGST officers the recourse to electronic tracking and telephone surveillance upon receiving written consent from the Court of Appeals or a judge.

The General Directorate for National Security (DGSN) is primarily responsible for handling border inspections at established ports of entry such as Casablanca's Mohammed V Airport, where most border crossings occur. Law enforcement officials and private carriers have worked regularly with the United States to detect and deter individuals attempting to transit illegally. Moroccan government authorities worked directly with U.S. Customs and Border Protection's Regional Carrier Liaison Group and the U.S. Department of Homeland Security's (DHS) Investigations Attaché office at the U.S. Consulate in Casablanca to address watchlisted or mala fide travelers. Moroccan airport authorities have excellent capabilities in detecting fraudulent documents, but currently lack biometric screening capabilities. In addition, the police, customs officers, and Gendarmerie Royal operate mobile and fixed checkpoints along the roads in border areas.

Morocco continued to participate in the Department of State's Antiterrorism Assistance program to support the development of Moroccan law enforcement expertise in the areas of crisis management, border security, and terrorism investigations, and to strengthen regional counterterrorism capabilities to deny space to terrorists and terrorist networks. Under the Trilateral Initiative framework, in 2016 the Governments of Morocco and the United States hosted a course in critical incident management for members of the Senegalese security services.

Morocco also continued to partner with the United States to improve the police criminal investigation process through the development and implementation of chain of custody and evidence management procedures; forensic evidence collection and analysis, including DNA analysis; and mentoring and training. Morocco participated in GCTF and Department of Justice programs to improve technical investigative training for police and prosecutors. DGSN, Moroccan Customs, and the Royal Gendarmerie were active partners and participants in DHS-sponsored training events on border security and financial investigation. Finally, Moroccan government officials participated in several U.S. Federal Bureau of Investigation-led courses to improve capacity in intelligence analysis and cybersecurity.

While no terrorist incidents occurred in Morocco in 2016, Morocco's counterterrorism efforts and cooperation with international partners led to numerous disruptions of alleged terrorist cells and prosecutions of associated individuals, including these cases:

- On February 19, the BCIJ announced the dismantlement of a 10-member cell that had pledged allegiance to ISIS and planned to use a 16-year old Moroccan as a suicide truck bomber to attack institutions and prominent Moroccans. The BCIJ seized weapons, ammunition, and bomb making material. The cell operated in multiple cities, including Essaouira, Meknes, and Sidi Kacem.
- On May 13, the BCIJ arrested a Chadian national in Tangier, who was allegedly recruited by ISIS to organize a terrorist cell composed of Algerians and Moroccans to attack Western diplomatic buildings and tourist sites in Morocco. On November 11, he was sentenced to 20 years in prison.
- On July 19, the BCIJ arrested 52 suspected terrorists in cities throughout Morocco, who were suspected of targeting prisons, security establishments, festivals, and recreation centers. The BCIJ seized firearms, knives, ISIS flags, ammunition, and instructions on making explosives.
- On October 4, the BCIJ arrested 10 women and seized a collection of chemicals and bomb-making materials in Rabat. The group allegedly planned to carry out suicide bomb attacks in multiple locations.
- On November 4 in the northern city of Tetouan, the BCIJ dismantled a terrorist cell composed of five pro-ISIS individuals who had conducted paramilitary training in nearby forests. The Ministry of Interior stated that members of this cell planned to join ISIS in Libya, Iraq, or Syria.

Countering the Financing of Terrorism: Morocco is a member of the Middle East and North Africa Financial Action Task Force, a Financial Action Task Force (FATF)-style regional body. Its financial intelligence unit, the Unité de Traitement du Renseignement Financier (UTRF), is a member of the Egmont Group of Financial Intelligence Units. Morocco criminalizes money laundering violations in accordance with international standards and actively uses the statutes to detect terrorist financing. Through September 2016, UTRF received 297 suspicious transaction reports. UTRF has signed memoranda of understanding facilitating information exchange with regional FIUs. The UTRF is also working to update current legislation to better implement UNSCR 1373 (2001) and the UN Security Council ISIL (Da'esh) and al-Qa'ida sanctions regime. Finally, in alignment with the 2012 FATF Recommendations, the UTRF is preparing a

national risk assessment to plan and execute more effective counter measures against terrorist financing.

Moroccan officials are demonstrating success in detecting terrorist financing. In November, a joint BNPJ and BCIJ operation arrested two Turkish nationals and a Moroccan who were involved in diverting a national telephone operator's communication lines to sell stolen services to raise funds for ISIS. The group had ties with ISIS operational leaders and intended to fund ISIS activities and facilitate the return of foreign terrorist fighters to Europe

For further information on money laundering and financial crimes, see the *2017 International Narcotics Control Strategy Report (INCSR), Volume II, Money Laundering and Financial Crimes*: http://www.state.gov/j/inl/rls/nrcrpt/index.htm.

Countering Violent Extremism: Morocco has a comprehensive strategy for countering violent extremism that prioritizes economic and human development goals in addition to tight control of the religious sphere and messaging. Morocco has accelerated its creation of education and employment initiatives for youth – the population identified as most vulnerable to radicalization and recruitment – and has expanded the legal rights and political and social empowerment of women. To counter what the government perceives as the dangerous importation of violent Islamist extremist ideologies, Morocco has developed a national strategy to affirm and further institutionalize Morocco's widespread adherence to the Maliki-Ashari school of Sunni Islam. In the past decade, Morocco has focused on upgrading mosques, promoting the teaching of relatively moderate Islam, and strengthening the Ministry of Endowments and Islamic Affairs (MEIA). The MEIA has developed an educational curriculum for Morocco's nearly 50,000 imams and Morocco is training hundreds of imams from African and European nations at its international imam training center in Rabat. The MEIA-affiliated Mohammedan League of Ulema (Rabita Mohammedia) produces scholarly research, ensures conformity in educational curricula, and conducts youth outreach on religious and social topics.

In July, King Mohammed VI inaugurated the Higher Council for African Ulema in Fez, a center bringing together religious scholars from more than 30 African countries to promote scholarship and counter extremist ideologies in Islam. To counter the radicalization of Moroccans living abroad, the Moroccan Council of Ulema for Europe and the Minister Delegate for Moroccans Living Abroad undertook similar programs to promote moderation within Moroccan expatriate communities in Europe.

The Department of State has supported the efforts of the Moroccan General Delegation of the Penitentiaries and Reinsertion Administration (DGAPR) to reform and modernize the management of its prison system, including increased focus on rehabilitation and successful reintegration into civilian life. The State Department has also assisted the DGAPR in creating and implementing a prisoner classification tool to ensure inmates are living within the lowest required security environment based on the threat they represent. This helps keep violent extremists segregated from the mainstream prison population, limiting their ability to influence and recruit other inmates. These improvements all serve to deter radicalization to violence and recruitment of inmates. A U.S. Agency for International Development project – Favorable Opportunities to Reinforce Self-Advancement in Today's Youth (FORSATY, which loosely

translates to "my opportunity" in Arabic) – addressed youth marginalization in areas known for recruitment by terrorist organizations, helping them stay in school, develop skills, and become active in the community.

International and Regional Cooperation: Morocco is the current co-chair and a founding member of the GCTF and a member of the Global Initiative to Counter Nuclear Terrorism. Morocco also co-chairs the GCTF Foreign Terrorist Fighters Working Group, which provides a critical platform for developing practical initiatives to help coordinate and build on efforts at the national, regional, and international levels to stem the flow of foreign terrorist fighters and address the complex issues related to their return. Morocco was a founding member of the Malta-based International Institute for Justice and the Rule of Law (IIJ) and regularly participates in IIJ programs.

Morocco is a stable security-exporting partner in North Africa and is the only African nation to contribute military assets to the Defeat-ISIS Coalition campaign in Syria and Iraq. Morocco trains security and law enforcement officials from friendly nations such as Chad, Cote d'Ivoire, Mali, and Senegal. As a major non-North Atlantic Treaty Organization ally and a Mediterranean Dialogue (5+5) partner in the EU's Barcelona Process, Morocco participates in the 5+5 Defense Initiative, which brings together five European and five North African countries to address security issues in the Mediterranean. Morocco also participates in multilateral regional training exercises, such as the maritime-focused PHOENIX EXPRESS and the FLINTLOCK security operations exercise and hosts the annual multilateral AFRICAN LION exercise and MAGHREB MANTLET disaster response exercise. These engagements have enhanced border security and improved capabilities to counter illicit trafficking and terrorism.

Morocco is an active member of the Trans-Sahara Counterterrorism Partnership (TSCTP), a U.S. multi-year interagency regional program aimed at building the capacity of governments in the Maghreb and Sahel to confront threats posed by violent extremists. Both Morocco and Algeria participate in the TSCTP, 5+5 Dialogue, and the GCTF; however, political disagreement over the status of Western Sahara remained an impediment to bilateral and regional counterterrorism cooperation in 2016.

OMAN

Overview: Oman is an important regional counterterrorism partner that actively worked in 2016 to prevent terrorists from conducting attacks or using the country as a safe haven. The Omani government remains concerned about the conflict in Yemen and the expansion of safe haven there by al-Qa'ida in the Arabian Peninsula and ISIS in Yemen, which present potential threats to Oman's border. Omani officials regularly engaged with U.S. officials on the need to counter violent extremism and terrorism, but rarely publicly broadcast their counterterrorism efforts. The Government of Oman sought training and equipment from the United States and from other countries to support its efforts to control Omani land, air, and maritime borders. Oman also used U.S. security assistance to improve its counterterrorism tactics, techniques, and procedures. A member of the Global Coalition to Defeat ISIS, Oman issued a series of official statements condemning terrorist attacks in 2016.

Legislation, Law Enforcement, and Border Security: Royal Decree 8/2007 outlines specific penalties, including the death penalty and life imprisonment, for various terrorist acts, including establishment or leadership of a terrorist group, attempts to join a terrorist group, attempts to recruit for a terrorist group, development of an explosive or weapon, or takeover of any mode of transportation for purposes of terrorism.

Counterterrorism investigations, crisis response, and border security capabilities were limited by local capacity and a challenging operating environment due to Oman's extensive coastline and its long and remote borders with Saudi Arabia and Yemen. Nevertheless, Oman's many agencies with counterterrorism jurisdiction communicated and coordinated daily. The Sultan's Special Forces and the Royal Oman Police (ROP) Special Task Force are Oman's primary counterterrorism response forces. The Omani Internal Security Service and Royal Office also play key roles in securing Oman from terrorist threats.

The Government of Oman recognized the need to improve its capabilities and took advantage of U.S. counterterrorism and law enforcement training and assistance. In 2016, the ROP, the Ministry of Defense, the Ministry of Foreign Affairs, the Ministry of Legal Affairs, the Ministry of Transportation and Communication, and the Ministry of Commerce and Industry participated in the State Department's Export Control and Related Border Security (EXBS) program, designed to assist Omani personnel to enhance interdiction capabilities at official ports of entry on land and at sea. Prominent in the EXBS training program were 10 weeks of training for the ROP Coast Guard on visit, board, search, and seizure operations, and the development of six ROP Coast Guard instructors to lead future iterations of the course.

Oman also participated in the Department of State's Antiterrorism Assistance program, which included training on airport security management, border security, interdicting terrorist activities, and instructor development for Omani security officials representing the Royal Oman Police and a number of civilian agencies.

The major deterrents to more effective law enforcement and border security are limited resources, nascent interagency coordination, and the need for continued training to develop advanced law enforcement skills. Oman's border with Yemen features rugged, mountainous terrain, which further challenges border security efforts. Omani authorities continued to make progress on construction of a fence along the border with Yemen to prevent illegal entry into Oman. The Omani and U.S. governments continued to engage in frequent border-security related training endeavors.

Countering the Financing of Terrorism: Oman is a member of the Middle East and North Africa Financial Action Task Force, a Financial Action Task Force (FATF)-style regional body. Oman revised its countering the financing of terrorism (CFT) law with Royal Decree 30/2016 in 2016. The revised CFT law requires financial institutions, private industry, and non-profit organizations to screen transactions for money laundering or terrorist financing and requires the collection of Know Your Customer data for wire transfers. The revised CFT law also consolidated CFT authority within the National Center for Financial Information and established the center as an independent government entity. While progress has been made, a number of gaps remain, including issuing a decision on mechanisms for

implementing the UN Security Council ISIL (Da'esh) and al-Qa'ida sanctions regime, issuing anti-money laundering/countering the financing of terrorism regulations to the sectors identified in the law, and designating wire transfer amounts for customer due diligence procedures.

For further information on money laundering and financial crimes, see the *2017 International Narcotics Control Strategy Report (INCSR), Volume II, Money Laundering and Financial Crimes*: http://www.state.gov/j/inl/rls/nrcrpt/index.htm.

Countering Violent Extremism: The Grand Mufti of Oman, Sheikh Ahmed al-Khalili, published an essay in October 2014, calling on all Muslims to reject extremism and promote tolerance, themes he has repeatedly amplified in his popular and widely broadcast weekly television program. The government continued to promote an advocacy campaign entitled "Islam in Oman" designed to encourage tolerant and inclusive Islamic practices in 2016. The project highlighted the commonalities between Islam's sects and between Islam and other religions. A Ministry of Endowments and Religious Affairs (MERA) program entitled "Tolerance, Understanding, Coexistence – Oman's Message of Islam" was part of the government's effort to enhance interfaith dialogue; MERA also promoted tolerance at the Sultan Qaboos Grand Mosque in November to celebrate the International Day for Tolerance.

International and Regional Cooperation: Oman participates in the U.S.-Gulf Cooperation Council (GCC) Strategic Cooperation Forum, and participated in the U.S.-GCC Riyadh summit in April and the U.S.-GCC Strategic Commodity Identification Training Instructor Cadre Development meetings in April and October. Oman regularly votes in favor of counterterrorism measures in the UN General Assembly, the Arab League, the GCC, and the Organization for Islamic Cooperation. Oman became the 41st country to join the Saudi-led Islamic Military Alliance to Fight Terrorism in late December.

QATAR

Overview: The United States and Qatar maintained a strong partnership in the fight against terrorism in 2016 and collaborated to foster closer regional and international cooperation on counterterrorism, law enforcement, and rule of law activities. U.S. agencies have an active and fairly productive dialogue with their Qatari counterparts and worked closely for the exchange and evaluation of terrorist-related information. Qatar is a full partner and active participant in the Global Coalition to Defeat ISIS and has provided significant support in facilitating U.S. military operations in the region. In addition to hosting 10,000 U.S. servicemen and women on two military installations critical to coalition efforts, Qatar offered to host a base to train-and-equip moderate Syrian opposition forces. Qatar's public role in support of Coalition efforts and the U.S. military has thus far not exposed Qatar to any known terrorism-related attacks. Terrorist activity historically has been low in Qatar; restrictive immigration policies and security services capable of monitoring and disrupting terrorist activities have maintained the status quo. Qatar supported the Saudi Arabia-led Islamic Alliance to Combat Terrorism through agreeing to participate in regional training exercises with alliance members.

Legislation, Law Enforcement, and Border Security: The Qatari government has in place legislation enacted in 2004, 2010, and 2014 to address terrorism, terrorist financing, and related

offenses, which complements other criminal laws. The 2004 Law on Combating Terrorism sets forth broad provisions for defining and prosecuting terrorist-related activities in Qatar against the State of Qatar, including prohibitions on providing information, training, supplies, weapons, financing, and material support to terrorists and terrorist organizations. The law does not provide presumption of innocence, right to a fair public trial, access to counsel, timely presentation before a public prosecutor, or defined legal periods of detention. The law also prohibits creating, directing, or using lawful entities, associations, or organizations to commit terrorist activities. The 2004 law also criminalizes collaboration with or joining organizations or groups located abroad, which commit a terrorist crime, even if not against the State of Qatar; and outlaws obtaining military training from such organizations or groups abroad. The 2014 Cybercrime Prevention Law criminalizes terrorism-linked cyber offenses.

The State Security Bureau (also known as the Qatar State Security) maintains an aggressive posture toward monitoring internal extremist or terrorism-related activities. The internal security-focused Ministry of Interior (MOI) is well-positioned to respond to incidents with rapid reaction forces and trained internal security forces that routinely pursue and engage in structured counterterrorism training and exercises. Both the State Security Bureau and the MOI are responsive to the Emiri Diwan and prime minister-level command and control structures, and efforts have been made to streamline interagency coordination and civil defense operations. The Office of Public Prosecution is tasked with prosecuting all crimes, including any related to terrorism, and plays a significant role in terrorism investigations as the prosecutors conduct investigative interviews. Oversight and management of industrial security is now consolidated under the MOI, with integrated responsibility for protecting the critical energy infrastructure, ports, and airport.

Qatari authorities have requested and expressed their intent to participate in the Department of State's Anti-Terrorism Assistance program, to boost domestic security capabilities. Qatar continued to participate in and host multilateral Global Counterterrorism Forum (GCTF) events. Also in 2016, Qatar funded efforts by the United Nations (UN) Office on Drugs and Crime to help address violent extremism and radicalization to violence among youth and vulnerable populations. Qatar also maintains an interagency National Anti-Terrorism Committee (NATC) within the MOI composed of representatives from more than 10 government ministries and official institutions. The NATC is tasked with formulating Qatar's counterterrorism policy, ensuring thorough and transparent interagency coordination within the government, fulfilling Qatar's obligations to counter terrorism under international conventions, and participating in international or UN conferences on terrorism.

Qatar maintains its own watchlist of suspected terrorists that it uses to screen passengers on international flights. Qatar also conducts vetting and background checks on all applicants for work visas. The Qatari government uses biometric scans for arrivals at the Hamad International Airport. Qatar engages in information sharing between its state-owned airline and foreign governments, including collection and dissemination of advance passenger information and passenger name records on commercial flights, and has agreed to enhance information sharing arrangements with the United States. During 2016, MOI authorities cooperated with U.S. Department of Homeland Security and U.S. Customs and Border Protection officials to

enhance screening capabilities of the approximately 50 million travelers that pass through Hamad International Airport each year.

During 2016, MOI authorities also engaged the U.S. Department of Justice (DOJ), which led to the signing of a memorandum of understanding (MOU) for additional training in the area of judicial capacity building; this MOU is intended to encourage and strengthen information sharing mechanisms between Qatar and the United States and leverage DOJ expertise to share best practices. In 2016, the United States and Qatar enhanced their abilities to share terrorism screening information.

Overall, Qatar's security services workforce is limited in scope and bandwidth, and in most agencies, is reliant on manpower from third countries to fill rank-and-file law enforcement positions. This limitation applies across the board with all Qatari government institutions (except for the Qatar State Security and elite units of the MOI's internal security force) and reflects the demographics of the nation. Due to the demographics of Qatar's security services, advanced security training is not made available for non-Qataris in some cases and to an extent contributes to ineffective police operations. Qatar, however, has procured and deployed a state of-the-art electronic surveillance capacity, which enhances Qatari security services' effectiveness in the detection and monitoring of terrorist suspects.

Countering the Financing of Terrorism: Qatar is a member of the Middle East North Africa Financial Action Task Force (MENAFATF), a Financial Action Task Force-style regional body, and the Qatar Financial Information Unit is a member of the Egmont Group of Financial Intelligence Units. Qatar has made significant progress on deficiencies identified in its MENAFATF Mutual Evaluation Report in 2008. According to the Second Biennial Update Report, Qatar is deemed "Compliant or Largely Compliant" with all but recommendation 26, which accounts for regulation and supervision of financial institutions. Qatar's Combating Money Laundering and Terrorist financing Law of 2010 require Qatar's Public Prosecutor to freeze the funds of individuals and organizations included on the UN Security Council ISIL (Da'esh) and al-Qa'ida sanctions list. The Qatar Central Bank works with financial institutions to confirm asset-freezing compliance with respect to these UN obligations on entities and individuals, including Qatari citizens.

The Government of Qatar has made progress on countering the financing of terrorism (CFT), but terrorist financiers within the country are still able to exploit Qatar's informal financial system.

In 2015 and 2016, Qatar prosecuted and convicted Qatari terrorist financiers for the first time. As part of ongoing reforms to curb terrorist financing, the State of Qatar issued the Cybercrime Prevention Law and the Law Regulating Charitable Activities in 2014. Qatar continued to be an active participant in U.S.-sponsored training and capacity building focused on CFT issues.

Non-profit organizations are not obliged to file suspicious transaction reports, but, based on the charities law that was passed in 2014, every charitable project must be approved by the Charities Commission, a government interagency body that monitors charitable giving to prevent terrorist financing.

For further information on money laundering and financial crimes, see the *2017 International Narcotics Control Strategy Report (INCSR), Volume II, Money Laundering and Financial Crimes*: http://www.state.gov/j/inl/rls/nrcrpt/index.htm.

Countering Violent Extremism: The core of Qatar's strategy to counter violent extremism is investment in education. Foreign Minister Sheikh Mohammad bin Abdulrahman Al Thani stated during the May 2016 World Humanitarian Summit that "neglecting education means that whole generations would become more vulnerable to human trafficking or falling prey to terrorism." Qatari leaders have made strong public statements in 2016 on the importance of countering violent extremism by addressing prevention, dialogue, and trust to communities most affected by the conflicts in the region.

While Qatar has invested heavily in promoting primary and secondary education abroad, its domestic spending to counter violent extremism is focused disproportionately on tertiary education, including at the national Qatar University, the new Doha Institute for Graduate Studies, and, most notably, the many institutions housed at Qatar Foundation, including the six branch campuses of American universities housed at Education City. Within this context, the Qatari government expanded its youth-focused countering violent extremism (CVE) programs directed at its citizens, as well as the vast, and far less privileged, population of third country nationals living within Qatar (including an influx of residents from Egypt, Gaza and the West Bank, Syria, and Pakistan).

Qatar's Ministry of Education and Higher Education (MEHE) continued its partnership with the United States for the second year in promoting CVE education through the Young Writers Program (YWP). Through this program, students from 122 government schools in areas with less exposure to Western culture participated in writing programs that exposed them to CVE programming through essay writing on subjects affecting their society.

For youth in Qatar, QF's programs, such as the Qatar STEAM Fair (recently renamed the National Scientific Research Competition) and Qatar Debate, are aimed at raising the level of education and knowledge exchange among average, non-elite Qataris in the more conservative Ministry of Education school system. The STEAM Fair, which is sponsored by QF's Research and Development Office, aims to create a core of future STEM and STEAM leaders and attracts thousands of Qatari public high school students each year to participate. QF also sponsors a Stars of Science program, an "edu-tainment reality" television show. Its stated mission is to provide a launching pad for the region's aspiring science and technology entrepreneurs and serve as an instrument to foster creative and innovative thinking in the region while inspiring hope in the next generation of Arab youth. One of the show's key aims is to provide "hope to youth in a region of suffering."

Qatar continued its financial support for the Global Community Engagement and Resilience Fund (GCERF), highlighting this fund as the first global initiative aimed at enhancing skills, potential, and resources of both the public and private sectors to support local projects, such as education, vocational training, civic engagement, media, and defense of women's rights in an attempt to increase resilience against violent extremists' agendas that create real barriers to economic and political development.

International and Regional Cooperation: Qatar is an active participant in the United Nations, the Gulf Cooperation Council, the Organization of Islamic Cooperation, and the Arab League on counterterrorism activities. Qatar is active in all of the Defeat-ISIS Coalition Working Groups and is also a founding member of the GCTF.

SAUDI ARABIA

Overview: Saudi Arabia continued to maintain a strong counterterrorism relationship with the United States and supported enhanced bilateral cooperation to ensure the safety of both U.S. and Saudi citizens within Saudi territories and abroad. Saudi Arabia remained a key member and active participant in the Global Coalition to Defeat ISIS, as evidenced by its co-leading the Counter-ISIS Coalition's Counter-Finance Working Group (CIFG) alongside the United States and Italy. The Saudi government condemned ISIS's activities and participated in coalition military action to defeat the group in Syria and Iraq.

The Saudi Arabian government continued to build and reinforce its capacity to counter terrorism and violent extremist ideologies. Both ISIS, and, to a lesser extent, al-Qa'ida in the Arabian Pensinsula (AQAP), continued to encourage individual acts of terrorism within the Kingdom. ISIS inspired and launched individual lethal attacks in the Kingdom primarily targeting Saudi security forces and Shia residents. Despite the attacks, Saudi Arabia maintained a high counterterrorism operational tempo, made a number of highly publicized arrests of terrorist suspects, and disrupted active terrorist cells across the Kingdom. Saudi security forces also continued to confront the threat from AQAP, although the group's activity was diminished. ISIS attacks against Saudi security forces, Shia mosques and community centers, and Western targets in Saudi Arabia and other Gulf Cooperation Council (GCC) states in 2016 underscored the ongoing threat posed to Saudi Arabia and the region by ISIS, which Saudi Arabia worked closely with both Western and GCC partners to address.

Saudi Arabia implemented UN Security Council resolutions (UNSCR) 2178 and 2199, and the UN Security Council ISIL (Da'esh) and al-Qa'ida sanctions regime; expanded existing counterterrorism programs and rhetoric to address the phenomenon of returning foreign terrorist fighters; and leveraged terrorist finance provisions of its Law for Crimes of Terrorism and Terrorist Financing (CT Law) and Royal Decree A/44 to counter the funding of violent extremist groups in Iraq, Syria, Lebanon, and elsewhere. The government also launched several new countering violent extremism (CVE) initiatives to blunt the appeal of extremist messaging and improve oversight of Islamic charitable and proselytization (da'wa) activities at home and abroad.

According to the Saudi Ministry of Interior (MOI), as of December, there were 2,093 Saudis fighting with terrorist organizations in conflict zones, including ISIS, with more than 70 percent of them in Syria.

Amnesty International, Human Rights Watch, and other international human rights organizations criticized what they characterized as the Saudi Arabian government's use of the 2014 terrorism law to suppress political expression and dissent, citing broadly written language that criminalizes

"acts that disturb public order, defame the reputation of the state, or threaten the kingdom's unity."

2016 Terrorist Incidents: Deadly attacks by ISIS-affiliated groups against Saudi targets occurred despite continued Saudi efforts to detect and disrupt terrorist activity aimed mostly against Saudi security forces and the minority Shia community. Figures released by the Saudi Arabian government indicate there were 34 terrorist attacks in 2016. These included:

- On January 29, four worshippers were killed in a suicide bomb attack in the Eastern Province when a 22-year-old Saudi national blew himself up at the entrance to the Shia Imam Rida Mosque in al-Ahsa after security officers stopped him. A second alleged bomber was arrested at the scene after exchanging gun fire with security forces. Separate ISIS-affiliated cells in Medina, Mecca, Jeddah, and Shaqra were uncovered before carrying out large planned attacks, according to media reports. In all cases, the Saudi government worked to clarify the circumstances regarding these attacks and responded quickly to ensure proper security measures were in place, coordinating with U.S. counterparts.
- On July 4, coordinated bombings struck three cities across Saudi Arabia: a suicide bomber struck near the U.S. Consulate General in Jeddah, wounding two security officers and killing the bomber; an attack on a security post near the Prophet's Mosque in Medina, killing four guards; and an attack near a Shia mosque in the Eastern Province city Qatif, killing only the bomber.

Legislation, Law Enforcement, and Border Security: Saudi Arabia enacted its current counterterrorism law containing 41 articles in 2014 that strengthened its existing counterterrorism provisions; international and local human rights organizations have claimed that this law has been applied to nonviolent offenses and used to prosecute political activists for social media posts critical of government policy. The Saudi MOI General Investigations Directorate (GID) is responsible for conducting counterterrorism investigations in the Kingdom and, upon its discretion, will cooperate with other elements of the Saudi government to further investigate specific cases. Once the investigation is complete, the case is usually transferred to the Bureau of Investigation and Public Prosecutions Office for the duration of the trial. The Saudi government continued its programs to improve physical border security through the employment of biometric systems, aerial reconnaissance, thermal imaging, and remote unattended sensors along its borders. The Ministry of Justice continued its reform process, including codification of crimes and associated sentences.

Neighborhood police units engaged and worked directly with community members in Saudi Arabia, encouraging citizens to provide tips and information about suspected terrorist activity. The government offered rewards for information on terrorists, and Saudi security services made several announcements throughout the year pertaining to the arrest of large numbers of ISIS and AQAP terrorists and supporters. The government announced more than 190 arrests of ISIS-affiliated terrorists in 2016, according to an official press release.

In a widely publicized press statement, the MOI said security officials successfully prevented a terrorist attack targeting al-Jawhara Stadium at the King Abdullah Sports City in Jeddah during a

match between Saudi Arabia and the United Arab Emirates on October 11. The terrorists allegedly planned to detonate a car full of explosives parked in the stadium's lot. This incident led to the identification and arrest of four individuals with links to ISIS in Syria. The same statement highlighted the arrest of four Saudi nationals after law enforcement officials raided their terrorist cell, based in Shaqra. They allegedly had been planning to target security forces based on orders from an ISIS leader in Syria.

Saudi Arabia continued its efforts to disrupt terrorist activities in the Kingdom by tracking, arresting, and prosecuting terrorist suspects. According to the GID, Saudi security forces arrested more than 1,390 suspects accused of terrorism in 2016. The suspects were of different nationalities: 967 of those arrested were Saudi nationals, followed by 154 Yemenis, 76 Syrians, 45 Egyptians, and 38 Pakistanis.

Countering the Financing of Terrorism: Saudi Arabia is a member of the Middle East and North Africa Financial Action Task Force, a Financial Action Task Force (FATF)-style regional body. Saudi Arabia earned observer status in the FATF in June 2015 and is working to obtain full membership in the organization, pending a successful mutual evaluation. Saudi Arabia, along with Italy and the United States, co-leads the CIFG. Its financial intelligence unit, the Saudi Arabia FIU (SAFIU), is a member of the Egmont Group of Financial Intelligence Units.

The Saudi Arabian government further directed domestic authorities to impose financial sanctions on individuals and entities providing support to or acting on behalf of Hizballah, al-Qa'ida (AQ), Lashkar e-Tayyiba (LeT), and the Taliban. Saudi Arabia affirmed its commitment to countering terrorist financing in the Kingdom and sought to further establish itself as a leader in disrupting terrorist finance within the Gulf region. In 2016, Saudi Arabia increased its public designations of individuals and entities for violating the Kingdom's laws criminalizing terrorist financing and support. In February, Saudi Arabia designated three individuals and four entities acting on behalf of Hizballah's commercial procurement network. In March 2016, Saudi Arabia and the United States took steps to disrupt the fundraising and support networks of AQ, the Taliban, and LeT by imposing financial sanctions on four individuals and two organizations with ties across Afghanistan, Pakistan, and Saudi Arabia. In October, Saudi Arabia and the United States took joint action to simultaneously designate two individuals and one entity acting on behalf of Hizballah.

The MOI continued to provide specialized training programs for financial institutions, prosecutors, judges, customs and border officials, and other sectors of the government as part of its effort to enhance programs designed to counter terrorist financing. The Saudi Arabian Monetary Authority has standing requirements for all financial institutions within the Kingdom's jurisdiction to implement all of the FATF's recent recommendations on anti-money laundering and countering terrorist financing.

Despite serious and effective efforts to counter the funding of terrorism within the Kingdom, some individuals and entities in Saudi Arabia probably continued to serve as sources of financial support for terrorist groups. While the Kingdom has maintained strict supervision of the banking sector, tightened the regulation of the charitable sector, and stiffened penalties for financing terrorism, funds are allegedly collected in secret and illicitly transferred out of the country in

cash, sometimes by pilgrims performing *Hajj* and *Umrah*. To address this issue, the MOI continued efforts to counter bulk cash smuggling in 2016. Regional turmoil and the sophisticated use of social media have enabled charities outside of Saudi Arabia with ties to violent extremists to solicit contributions from Saudi donors, but the government has demonstrated a willingness to pursue and disrupt such funding streams.

For additional information on money laundering and financial crimes, see the *2017 International Narcotics Control Strategy Report (INSCR), Volume II, Money Laundering and Financial Crimes:* http://www.state.gov/j/inl/rls/nrcrpt/index.htm.

Countering Violent Extremism: Saudi Arabia laid the groundwork for a long-term countering violent extremism (CVE) strategy, partly as a response to international media criticism that alleged Saudi Arabia's export of extremism abroad. The Saudi government launched a new Center for Ideological Warfare designed to blunt ISIS's ideological appeal and counter extremist messages by discrediting what Saudi officials characterized as "distortions" of Islamic tenets.

The Saudi Arabian government also increased oversight of proselytization and Islamic charitable activities, especially during *Hajj*. The Saudi Arabian government appointed new leadership in various Islamic organizations to bolster CVE efforts. The Ministry of Islamic Affairs (MOIA) announced restrictions on foreign travel of Saudi-based clerics for charitable and proselytization activities, requiring them to obtain the government's permission before traveling. Additionally, the MOIA promulgated regulations restricting Saudi clerics' internal activities, for instance, requiring clerics to obtain permission before making media appearances even on Saudi networks. These are all part of centrally-coordinated efforts driven by the Saudi Arabian government's leadership to limit the ability of individuals with questionable credentials or affiliations to propagate extremist messages at home and abroad.

Additionally, Saudi Arabia enhanced its existing CVE programs on counter-radicalization and rehabilitation. Efforts included organizing seminars that refuted violent Islamist extremist interpretation and ideology as well as launching an international conference on media and terrorism. Public awareness campaigns were aimed at reinforcing the values of the state's interpretation of Islam and educating Saudi citizens about the dangers of violent extremism. Methods used included advertisements and programs on television, in schools and mosques, and at sporting events. The Saudi government expanded these programs to address the rising threat to youth from recruitment efforts by groups like ISIS and to dissuade its citizens from engaging as foreign terrorist fighters in Syria and Iraq.

The MOI continued to operate its de-radicalization program, including the Sakina Campaign for Dialogue to counter internet radicalization, as well as its extensive rehabilitation program at the Mohammed bin Naif Counseling and Care Center that seeks to address ideological and psychosocial causes of terrorism.

During 2016, the Saudi government continued its ongoing program to modernize the educational curriculum, including textbooks. While the Saudi government has reported progress, some textbooks continue to contain teachings that promote intolerance and violence, in particular towards those considered to be polytheists, apostates, or atheists. Under the rubric of the

National Transformation Program and Vision 2030, the Ministry of Education worked to consolidate and reduce religious courses to increase the focus on secular education, limiting the ability of teachers to propagate extreme religious interpretations in the K-12 curriculum.

The MOIA continued to train and regulate imams, prohibiting them from incitement of violence, and continued to monitor mosques and religious education, imposing new regulations prohibiting posters and other publicity about potentially extremist causes and organizations in local mosques. Some privately funded satellite television stations in the Kingdom continued to espouse sectarian hatred and intolerance.

International and Regional Cooperation: Saudi Arabia cooperated regionally and internationally on counterterrorism issues. Saudi Arabia is a founding member of the Global Counterterrorism Forum. Saudi officials issued statements encouraging enhanced cooperation among GCC and Arab League states on counterterrorism issues. The Saudi government hosted international counterterrorism conferences on subjects ranging from countering violent extremist ideology to media and terrorism.

Throughout the year, Saudi security professionals continued to participate in joint programs around the world, including in Europe, the United States, and a GCC joint military exercise focusing on counterterrorism and border security drills in Bahrain.

After the establishment of the Saudi-led Islamic Military Alliance to Fight Terrorism in December 2015, the government hosted its first meeting of military chiefs on March 27. Representatives from 39 countries focused on ideological, financial, military, and media aspects to counter terrorism.

TUNISIA

Overview: The Tunisian government's counterterrorism efforts intensified in 2016, with successes including weapons seizures, arrests, and operations against armed groups throughout the country.

The al-Qa'ida in the Islamic Maghreb (AQIM)-aligned Okba Ibn Nafaa Brigade continued small scale attacks against Tunisian security personnel, while an ISIS-affiliate conducted a large-scale attack on the Tunisian-Libyan border town of Ben Guerdan in March, during which 49 terrorists, seven civilians, and 11 members of the security forces were killed. While terrorist attacks took place along the Libyan border and the western Tunisian mountains, there were no reported attacks in urban or tourist centers.

Tunisia reached out to the international community, particularly to the United States as its prime security partner, to seek support in transforming its security apparatus into fully professional and competent counterterrorism forces. U.S. security assistance to Tunisia grew in 2016, but Tunisia needs more time and international support to complete the overhaul of its military and civilian security forces. The government, which boasts a broader political base after the September change in government, is led by largely secularist Nida Tounes and Islamist-oriented Nahda, which have made counterterrorism a top priority.

Tunisia adopted a National Counterterrorism Strategy in November. The strategy, which is intended to take a comprehensive approach to the fight against terrorism, was drafted by the Ministry of Interior (MOI). The military and civilian security forces continued to make counterterrorism their first priority, leading to the dismantling of several terrorist cells and the disruption of a number of attack plots.

Terrorism remained a serious challenge for Tunisia, which included the potential for terrorist attacks and the influx of arms and violent extremists from neighboring countries. The government grappled to adapt to terrorist threats, focusing on groups such as Ansar al-Shari'a in Tunisia (AAS-T) and AQIM, which continued its activities in the western mountainous regions of the country where it attacked security forces and targeted civilians.

Instability in Libya has allowed violent extremist groups, including ISIS, to continue operations, requiring the Tunisian government to increase its focus on its border with Libya and to adapt to terrorist tactics that targeted foreign civilians and urban areas. The disproportionate numbers of Tunisians who have travelled to fight in Syria and Iraq remained another cause for concern. The return of foreign terrorist fighters is a challenge the Tunisians worked to address in 2016.

2016 Terrorist Incidents: Terrorist organizations, including ISIS, AQIM, and AAS-T, were active in Tunisia throughout the year. The incidents below highlight some of the more significant terrorist attacks.

- On March 7, Tunisia's security forces successfully repulsed a large-scale attack by ISIS-affiliated terrorists on the Tunisian border town of Ben Guerdan. The MOI reported that 49 suspected terrorists were killed and nine detained during the attack and subsequent operations by security services. Thirteen security forces members and seven civilians were killed in the course of events. The attackers were Tunisian nationals who had trained in Libya.
- On May 11, four National Guardsmen were killed while conducting a raid on a terrorist hideout in the Smar region of the Tataouine Governorate, when a terrorist detonated a suicide vest.
- On August 29, a Tunisian military convoy in Kasserine ran over a mine and was then ambushed in a rocket-propelled grenade attack; three security service members died. On August 31, two terrorists were killed during a subsequent raid by security forces and the army on a house where terrorists connected to the initial attack were hiding. In the course of this operation, one civilian was killed and a security officer was injured.
- On November 7, an Army corporal was killed when 20 terrorists stormed his home in Kasserine. Additional forces were immediately deployed to the area and search operations were conducted. On November 9, Tunisian Army forces located and killed Talal Saïdi, the leader of Jund al-Khilafah, the group responsible for the attack.

Legislation, Law Enforcement, and Border Security: Parliament passed a counterterrorism law in 2015 that modernized Tunisia's security legislation, striking a better balance between the protection of human rights and fighting terrorism, and implemented obligations under UN Security Council resolution (UNSCR) 2178 and the UN Security Council (UNSC) ISIL (Da'esh)

and al-Qa'ida sanctions regime. Human rights organizations objected to the law for its vague definition of terrorism and the broad leeway it gives to judges to admit testimony by anonymous witnesses. Tunisia also worked to strengthen criminal justice institutions and promote the rule of law to address the threat posed by radicalization and terrorism. On June 1, 2016, a new criminal procedure code intended to decrease pre-trial detentions and prison overcrowding entered into force. Tunisia also worked with the Department of State to develop a national court management system to facilitate collaboration between judges, court administrators, and other justice sector stake holders, including civil society. The Directorate General of Prisons and Rehabilitation (DGPR) also worked with the Department of State to integrate community corrections principles such as probation, parole, and the establishment of community reintegration centers to better prepare newly released inmates and mitigate recidivism and radicalization.

The MOI and the Ministry of Defense (MOD) share responsibility for detecting, deterring, and preventing acts of terrorism in Tunisia. The MOD leads Tunisia's security efforts in "military exclusion zones" in mountainous areas close to the Algerian border, a buffer zone along portions of the border with Libya, and in the southern tip of the country.

The MOI is the lead counterterrorism agency in the rest of the country, particularly for urban areas. The Anti-Terrorism Brigade (BAT) and the National Guard Special Unit – elite units under the Ministry's National Police and National Guard, respectively – take the lead for counterterrorism operations. The National Unit for the Investigation of Terrorist Crimes leads investigations and liaises with the judicial system on prosecutions. With assistance from the Department of State and the U.S. Federal Bureau of Investigation, the Security Pole for Countering Terrorism and Organized Crime (also known as the Tunisian Fusion Center) is becoming an all-source analytical center which disseminates actionable intelligence and responds to requests for information from Tunisia's security services. The MOD also has its own nascent intelligence fusion center which requires further development. The MOD recently established linkages to the MOI's Tunisian Fusion Center. At the tactical level, MOI and MOD forces worked together in some locations, coordinating their efforts in Joint Task Forces established in the military exclusion zones.

For protecting tourism zones, Tunisia worked with international partners to provide first responder and security training for hotel staff and promote cooperation between security forces and private security. The Ministry of Tourism also worked with Germany in developing a handbook on policies and procedures for security personnel working at soft targets such as tourist sites.

Tunisia has an Automated Fingerprint Identification System (AFIS) and maintains fingerprint records for identification cards, criminal records, and latent prints. Tunisia currently has only one AFIS system. Tunisia also maintains a DNA database and has expressed an interest in becoming a Combined DNA Index System member.

Border security remained a priority, and Tunisian authorities collaborated with their Algerian counterparts to stem the flow of weapons and insurgents across their common borders and across their borders with Libya. The MOD took the lead in constructing a series of barriers and trenches in 2015 along more than 220 kilometers of the border with Libya to stem the flow of

arms, terrorists, and contraband between the two countries. Tunisia has asked for and received support from Germany and the United States to install electronic surveillance equipment to augment the new barrier.

The year saw continued arrests and raids by security forces as well as regular seizures of weapons near the Tunisia-Libya border. Significant law enforcement actions and arrests included:

- On January 8, National Guard units detained 11 Tunisian men and women near Ben Guerdan who were attempting to enter Libya to join terrorist groups.
- On October 16, counterterrorism forces from the Tunisian National Guard foiled a plot to assassinate a major political figure. Press reports stated that the terrorists' target was Interior Minister Hedi Majdoub. Approximately 40 people were taken into custody with 20 still at-large following the arrests.
- In November, Tunisian police arrested four individuals suspected of planning attacks in the capital. According to a spokesman for the MOI, the group was planning attacks against a commercial center and a National Guard post.

Tunisia continued to participate in the Department of State's Antiterrorism Assistance (ATA) program. MOI personnel received ATA training in the areas of tactical crisis response, counterterrorism investigations, protection of soft targets, and command and control. Tactical units were granted tactical and enabling equipment. Department of State programs also supported improved quality of and access to, the justice system, training for and implementation of new criminal codes, improved prison functionality, and other training and support for the Ministry of Justice. In close collaboration with the MOI, the Department of State designed a US $12 million new police academy modernization project, which includes curriculum development. The Ministries of Interior and Justice were also provided armored vehicles, ambulances, surveillance cameras, and other equipment to enhance internal and border security. The Tunisian Armed Forces consider counterterrorism and border security their principal mission, and have successfully employed U.S.-funded patrol craft, vehicles, weapons, and training in border security and counterterrorism operations.

Countering the Financing of Terrorism: Tunisia is a member of the Middle East and North Africa Financial Action Task Force (MENAFATF), a Financial Action Task Force-style regional body, and also of the Counter-ISIS Finance Working Group. Tunisia underwent a MENAFATF mutual evaluation in 2016. Its financial intelligence unit, the Tunisian Financial Analysis Committee, is a member of the Egmont Group of Financial Intelligence Units.

Over the past three years, Tunisia has endeavored to implement and promote anti-money laundering/counterterrorist finance efforts with its institutional partners. As a result, banks regularly report suspicious transactions and have done so increasingly since the 2011 revolution. Other designated nonfinancial businesses and professions, including real estate agents, lawyers, accountants, and notaries, have lagged behind in reporting suspicious transactions primarily due to a lack of awareness of anti-money laundering/countering the financing of terrorism (AML/CFT) laws and regulations.

Tunisia's 2015 law on combating terrorism and money laundering created a unit of judges specialized in terrorism cases and sends investigations to the Criminal Investigation Department of Tunis, rather than to units at the governorate level. The penal code provides for the seizure of assets and property tied to narcotics trafficking and terrorist activities. Tunisia has a mechanism to implement the UNSC ISIL (Da'esh) and al-Qa'ida sanctions regime, including requiring entities subject to AML/CFT provisions to consult lists on the Ministry of Finance website and to freeze listed individual and group assets; however, the financial sector and regulators are not consistently consulting and implementing the UNSC 1267 list. Tunisia freezes and confiscates assets, but the timeframe for taking action varies depending on the case.

For further information on money laundering and financial crimes, see the *2017 International Narcotics Control Strategy Report (INCSR), Volume II, Money Laundering and Financial Crimes*: http://www.state.gov/j/inl/rls/nrcrpt/index.htm.

Countering Violent Extremism: Tunisia made a concerted effort to improve socioeconomic conditions in the country through economic development and education programs to prevent radicalization. The government also attempted to prevent the radicalization of Tunisians by minimizing their exposure to inflammatory rhetoric in mosques by replacing imams deemed extremist, although local populations in several cases resisted the changes. The National Counterterrorism Strategy reportedly expanded the fight against terrorism to all ministries, including those that focus on culture, education, media, and religious affairs, and assigned each ministry concrete actions to accomplish. The Ministry of Governmental Organizations and Human Rights is the lead ministry for developing a countering violent extremism counter-messaging capacity. The Ministry of Communications is also involved in messaging.

International and Regional Cooperation: Tunisia participates in multinational and regional efforts to counter terrorism, such as those at the United Nations, the Arab League, the Global Counterterrorism Forum (GCTF), and the African Union. It is a founding member of the GCTF-inspired International Institute for Justice and the Rule of Law (IIJ) and participated in numerous IIJ trainings and workshops, which were focused on improving criminal justice actors' capacity to prevent and address terrorism-related crimes. Tunisia also served as one of the pilot countries under the GCTF-endorsed International Counterterrorism and CVE Capacity-Building Clearinghouse Mechanism, which is being developed as a means to help countries and donors optimize civilian counterterrorism and CVE capacity-building programs.

Tunisia is an active member of the Trans-Sahara Counterterrorism Partnership, a multi-year U.S. interagency regional program aimed at building the capacity of governments in the Maghreb and Sahel to confront threats posed by violent extremists. Tunisia is also part of the Security Governance Initiative between the United States and six African partners that offers a comprehensive approach to improving security sector governance and capacity to address threats, first announced in 2014. Tunisian authorities continued their coordination on border security with Algerian counterparts, although cooperation with Libya was nearly impossible due to the absence of an effective Libyan central government.

UNITED ARAB EMIRATES

Overview: The Government of the United Arab Emirates (UAE) increased its counterterrorism prosecutions in the last year, with the Federal Supreme Court's State Security Court hearing more than three dozen separate terrorism-related cases. Most cases involved defendants accused of promoting or affiliating with UAE-designated terrorist organizations, including ISIS, al-Qa'ida in the Arabian Peninsula (AQAP), al-Nusrah Front, Hizballah, and the Muslim Brotherhood. The court applied the UAE's strict counterterrorism laws, together with its Cyber Crime and Anti-Discrimination legislation, in the adjudication of these national security cases. International human rights non-governmental organizations and activists have claimed that the UAE uses the counterterrorism and cyber crime laws as cover to pursue cases against political dissidents and activists.

In line with previous years, the UAE government maintained a robust counterterrorism and countering violent extremism (CVE) partnership with the United States through its collaboration with U.S. law enforcement; support of the Global Coalition to Defeat ISIS; and counter-messaging initiatives, such as the Sawab and Hedayah Centers. It also hosted the Sunnylands Conference where key stakeholders discussed counter-messaging strategies. The UAE government remained co-chair of the Coalition Communications Working Group along with the United States and the United Kingdom (UK), and also co-chaired the Global Counterterrorism Forum (GCTF) CVE working group with the UK.

The UAE deployed forces in Yemen to counter the spread of AQAP and ISIS in Yemen at the same time as it partnered with the Saudi-led Islamic Military Alliance to Fight Terrorism. Along with its Yemeni partners, the UAE military successfully ejected AQAP from the port city of Mukalla in April – depriving AQAP from millions in monthly income – and from the coastal towns of Balhaf and Bir Ali in December. UAE forces remained in Yemen to support local forces in counterterrorism operations.

The government's security apparatus continued monitoring suspected terrorists in the UAE, and successfully foiled terrorist attacks within its borders. UAE Customs, police, and other security agencies improved border security and worked together with financial authorities to counter terrorist finance. UAE-based think tanks and research institutions – including the Emirates Policy Center, the Emirates Center for Strategic Studies and Research, the Tabah Foundation, the Future Institute for Advanced Research and Studies, B'huth, and Hedayah – held conferences, seminars, and roundtables on countering terrorism and violent extremism.

UAE government officials worked closely with their U.S. law enforcement counterparts to increase the UAE's counterterrorism capabilities.

Legislation, Law Enforcement, and Border Security: In 2016, the UAE increased prosecutions in terrorism-related cases using its existing Counterterrorism Law (Federal Law No. 7) of 2014, Cybercrime Law of 2012 (Federal Law No. 5), and Anti-Hatred and Discrimination Law of 2015 (Federal Law No. 2). The president of the UAE recently decreed a number of amendments, however, intended to impact these types of cases. For example, the government issued Federal Law No. 11 of 2016, amending Federal Law No. 3 of 1983, which specified that all cases involving the UAE's national security would be referred directly to the Federal Supreme Court. The amendment provides that the Federal Supreme Court will no longer

hear national security cases in the first instance, but that the Federal Court of Appeal (located in Abu Dhabi) will have primary jurisdiction. This change in the law is significant because it now allows both the prosecution and defense to appeal verdicts to the Federal Supreme Court. Prior to the change, the Federal Supreme Court was the court of first and last instance in such cases, as verdicts could not be appealed by either party.

In October, the president of the UAE issued Federal Decree No. 7 of 2016, amending certain provisions of the penal code as provided in Federal Law No. 3 of 1987. Capital punishment or life sentences will be given to individuals who set up, run, or join any organization, group, or gang plotting to overthrow the government and seize power in the UAE. Promoting these organizations verbally, in writing, or by any other means, will carry a jail term ranging between 15 and 25 years. Furthermore, deliberate acts against a foreign country intending to harm diplomatic relations of the country or endanger its citizens, employees, money, or interests, will be punishable with a life sentence.

The State Security Directorate (SSD) in Abu Dhabi and Dubai State Security (DSS) remained primarily responsible for counterterrorism law enforcement efforts. Local, emirate-level police forces, especially Abu Dhabi Police and Dubai Police, were frequently the first responders in such cases and often provided technical assistance to SSD and DSS, respectively. Overall, the UAE security apparatus demonstrated capability in investigations, crisis response, and border security, and forces were trained and equipped to detect, deter, and respond to terrorist incidents.

According to official press, the Federal Supreme Court's State Security Court heard more than three dozen terrorism-related cases in 2016, making it the most active year to date in terrorism prosecutions. The majority of prosecutions were against alleged affiliates of ISIS, AQAP, al-Nusrah Front (al-Qa'ida's affiliate in Syria), and Hizballah. Both locals and foreigners received sentences ranging from six months to death.

The most prominent terrorism trial of the year involved the Shabab al Manara group and included 41 defendants, 38 of whom were Emirati. The defendants were prosecuted for their association with terrorist groups, including ISIS and al-Qa'ida, and for planning terrorist attacks in the UAE. At the conclusion of the trial in March, the State Security Court sentenced 11 defendants (two in absentia) to life imprisonment, two defendants to 15 years imprisonment, 13 defendants to 10 years imprisonment, two defendants to five years imprisonment, six defendants to three years imprisonment, and four defendants to six months imprisonment. The Court acquitted seven defendants and ordered the deportation of four others after the completion of their sentences. Furthermore, the Court ordered the dissolution of the Shabab al Manara Group, the closure of its headquarters, the confiscation of electronic devices used in cybercrimes, weapons, ammunition, materials used in making explosives, and wireless devices, and the closure of any websites affiliated with the group.

In May, Mohammed al Habashi, the husband of Ala'a al Hashemi, who was executed for killing an American teacher on Reem Island in 2014, was sentenced to life in prison for a string of terrorist offenses, including plotting to blow up Yas Marina Circuit and a local IKEA store. Al Habashi was also found guilty of planning an assassination and making bombs.

As in previous years, the Government of the UAE worked closely with the United States, through the U.S. Department of Homeland Security (DHS), to improve its border security posture. Abu Dhabi Police's Criminal Investigations Division's robust law enforcement information sharing with DHS Homeland Security Investigations helped counter transnational criminal organizations and terrorist groups. In an effort to meet the growing demands associated with the massive increase in international travel, Abu Dhabi Police continued to adapt its law enforcement programs to counter related transnational crimes. The UAE Federal Customs Authority (FCA) also received a mandate from the Government of the UAE to federalize the seven emirate Customs agencies. The FCA requested DHS assistance to standardize all aspects of the new Federal Customs, to include training, uniforms, equipment, non-intrusive inspection equipment, hiring, techniques, policies, etc.

UAE points of entry utilized an internal name-based watchlist system which was populated by local immigration, deportation, corrections, and security agencies to identify individuals who were prohibited from entering the country or were sought by UAE authorities; some NGOs and human rights activists claimed that political dissidents, academics, and journalists who had written critically about UAE policy were included on such lists and barred from entry. INTERPOL and Gulf Cooperation Council (GCC) watchlists were incorporated into the UAE's internal watchlist.

Countering the Financing of Terrorism: The UAE is a member of the Middle East and North Africa Financial Action Task Force, a Financial Action Task Force-style regional body. The UAE's financial intelligence unit, the Anti-Money Laundering and Suspicious Cases Unit, is a member of the Egmont Group of Financial Intelligence Units. The UAE also participated in the Coalition's Counter-ISIS Finance Group.

The UAE remained a regional and global financial and transportation hub, and terrorist organizations exploited it to send and receive financial support. Operational capability constraints and political considerations sometimes prevented the UAE government from immediately freezing and confiscating terrorist assets absent multilateral assistance. The UAE requires financial institutions and designated non-financial businesses and professions to review and implement the UN Security Council ISIL (Da'esh) and al-Qa'ida sanctions regime on a continuous basis.

Except for those specifically established for financial activities, which were well-regulated, the UAE's numerous free trade zones varied in their compliance with and supervision of anti-money laundering/countering the financing of terrorism (AML/CFT) international best practices. Exploitation by illicit actors of money transmitters, including licensed exchange houses, *hawalas*, and trading firms acting as money transmitters, remained of significant concern.

The UAE continued its efforts to enhance its regulatory measures to strengthen its domestic AML/CFT regime and was increasingly willing and able to implement its laws and regulations. In November, the UAE government cooperated with the U.S. Department of the Treasury to disrupt the activities of a Yemeni exchange house supporting and facilitating financing for AQAP. According to media reports in May, however, the late UN-designated Taliban leader Mullah Mansour frequently traveled to Dubai for fundraising purposes.

For further information on money laundering and financial crimes, see the *2017 International Narcotics Control Strategy Report (INCSR), Volume II, Money Laundering and Financial Crimes*: http://www.state.gov/j/inl/rls/nrcrpt/index.htm.

Countering Violent Extremism: As part of its mission to counter violent extremism in the UAE and to promote tolerance, the government created the post of Minister of State for Tolerance in February. In June, the government launched the 'National Program for Tolerance' as part of its Vision 2021 initiative. The program focuses on five pillars: strengthening the government's role as an incubator of tolerance; the role of the family in nation-building; promoting tolerance among young people and preventing fanaticism and violent extremism; enriching scientific and cultural tolerance content; and contributing to international efforts to promote tolerance.

The UAE government continued to support Hedayah, the International Center of Excellence for Countering Violent Extremism (CVE), which it hosts in Abu Dhabi. A co-lead of the Defeat-ISIS Coalition Communication Working Group, with the UK and the United States, the UAE established the Sawab Center as a collaborative partnership to counter ISIS's online messaging. In its second year of operation, the Sawab Center has made significant strides in marshalling an online community to counter ISIS narratives, accruing more than one million followers. The Sawab Center launched several successful campaigns in Arabic and English on its Twitter, Facebook, and Instagram platforms including a campaign highlighting the essential role of the family in countering the spread of extremism, youth making positive contributions to society, ISIS's ill treatment of women and children, returned foreign terrorist fighters and defectors, and national pride.

Prominent UAE officials and religious leaders continued to publicly criticize violent extremist ideology and highlight the dangers of violent extremism. Vice President of the UAE, Prime Minister, and Ruler of Dubai Mohammed bin Rashid Al Maktoum, UAE Crown Prince Mohammed bin Zayed Al Nahyan, Minister of Interior Saif bin Zayed Al Nahyan, and Minister of Foreign Affairs Abdullah bin Zayed Al Nahyan, among others, were active on social media platforms in condemning terrorist attacks in Belgium, France, Pakistan, Turkey, the United States, and other countries.

International and Regional Cooperation: The UAE was a vocal and active participant in counterterrorism efforts at both the regional and international levels, including the GCTF. In March, the UAE joined other countries in the GCC to label Hizballah a terrorist organization. In October, police forces from the UAE participated in Arab Gulf Security 1, the first joint security exercise of the GCC, alongside forces from the other five members of the Arab regional bloc, Bahrain, Kuwait, Oman, Qatar, and Saudi Arabia. In September, Minister of Interior Saif bin Zayed Al Nahyan and Rob Wainwright, Director of Europol, signed an agreement on strategic cooperation in countering serious crime and terrorism. The agreement aimed to promote cooperation through the exchange of information and expertise between the UAE and the European Union's law enforcement agency to counter all types of crime. The UAE was the first country in the region to sign this agreement. The UAE also continued to play a vital role in

global counterterrorism efforts through its deployment of forces in Somalia and Yemen, to counter terrorist organizations such as al-Shabaab, AQAP, and ISIS in Yemen.

YEMEN

Overview: Throughout 2016, al-Qa'ida in the Arabian Peninsula (AQAP) and ISIS in Yemen (ISIS-Y) have continued to exploit the political and security vacuum created by the ongoing conflict between the Yemeni government under President Abdu Rabbu Mansour Hadi and the Houthi-Saleh rebel forces. Yemen's peaceful political transition was interrupted in the fall of 2014 when the Houthi militant groups allied with forces loyal to ex-President Ali Abdallah Saleh entered the capital, and subsequently seized control of government institutions – sending the Hadi-led government into exile in Saudi Arabia. A Saudi-led coalition of 10 member states initiated an air-campaign in March 2015. The country remained deeply divided at year's end, with pockets of violent conflict. The Houthi-Saleh rebel forces continued to control much of the north-west, including the capital. Meanwhile, the Yemeni government has re-established an intermittent presence in the southern port-city of Aden and has made strides to push back terrorist groups in southern provinces with coalition support, although it was unable to fully re-establish rule of law in the territory it holds.

Because of the instability and violence in Yemen, the internationally recognized government under Hadi cannot effectively enforce counterterrorism measures. A large security vacuum persists, which gives AQAP and ISIS-Y more room in which to operate. AQAP and ISIS-Y have also manipulated the conflict as part of a broader Sunni-Shia sectarian divide. By emphasizing this sectarian divide, AQAP and ISIS-Y have managed to increase their support bases and strengthen footholds in the country.

AQAP, in particular, has benefitted from this conflict by significantly expanding its presence in the southern and eastern governorates. It has successfully inserted itself amongst multiple factions on the ground, making the group more difficult to counter. AQAP has managed to exacerbate the effects of the conflict, fighting against the Houthi-Saleh alliance, while at the same time working to prevent Hadi's government from consolidating control over southern governorates. In April 2016, Yemeni forces, supported by the Saudi-led coalition, successfully pushed AQAP out of Yemen's fifth largest city of Mukalla. During the year-long occupation, AQAP amassed unprecedented resources by raiding the central bank and levying taxes. The loss of this safe haven deprived the group of millions of dollars of revenue. At year's end, efforts were ongoing by the Yemeni government, in coordination with its partners from the UAE, to push AQAP out of several of its other safe havens in the South.

By comparison, ISIS-Y remained limited to small cells. While its exact composition was unknown, ISIS-Y had considerably fewer members and resources than AQAP. Eight self-proclaimed ISIS-Y groups/provinces have claimed attacks on social media since 2015, although only a few provinces have sustained regular attacks into 2016 and were active at year's end. While ISIS-Y has demonstrated a violent operational pace, it has yet to occupy significant territory or challenge AQAP's status as Yemen's predominant Sunni Islamist terrorist group. ISIS-Y maintains connections to the ISIS core in Syria and Iraq, but a faction within ISIS-Y

chose to publicly disagree with the group's leadership regarding its tactics in early 2016, indicating a large rift within the group.

2016 Terrorist Incidents: AQAP and ISIS-Y terrorists carried out hundreds of attacks throughout Yemen in 2016. Methods included suicide bombers, vehicle-borne improvised explosive devices, ambushes, kidnappings, and targeted assassinations. The following list details only a small fraction of the incidents that occurred:

- On March 4, four nuns from Missionaries of Charity – the order founded by Mother Teresa of Calcutta – were killed during an attack on their Christian convent and nursing home in Aden. The nuns were among 16 killed by the gunmen who attacked the church-run retirement home and kidnapped an Indian priest. No group claimed responsibility for the attack.
- On May 23, two suicide bombings killed at least 40 army recruits in Aden and wounded 60 others. The attack took place as recruits stood in line to enlist. ISIS-Y claimed responsibility for the attack.
- On June 28, at least 42 people were killed in a series of suicide car bombings in Mukalla, after the Yemeni government and Saudi-led Coalition had retaken the city. ISIS-Y claimed responsibility for the attacks, which were targeted at security personnel over the month of Ramadan. Several civilians were also killed and injured in the attack.
- On August 29, a suicide car bomb targeted an army training camp in Aden and killed at least 60 people. ISIS-Y claimed responsibility for the attack. The attacker drove his vehicle into a gathering of new recruits at a camp in northern Aden.
- On December 10, at least 50 Yemeni soldiers were killed when a suicide bomber attacked a military base located near Aden. The soldiers had been lining up to receive salary payments; more than 70 more were injured. ISIS-Y also claimed responsibility for this attack.

Legislation, Law Enforcement, and Border Security: Yemen does not have comprehensive counterterrorism legislation and no progress was made due to the state of unrest and the government remaining outside of Yemen for most of 2016. During this timeframe, AQAP lost some territory but continued to exercise considerable control relative to before the conflict. ISIS-Y continued to have the ability to carry out violent attacks throughout the South. The Saudi-led coalition supported the Yemeni government's efforts to build police and law enforcement capacity to conduct counterterrorism operations.

Draft counterterrorism legislation has been pending in the parliament since 2008. This legislation has remained at a standstill due to the lack of a legitimate parliament. [Note: The Houthis convened a Houthi-GPC parliament in 2016, but it is not considered legitimate or internationally recognized.] Prior to the political instability in the capital, the draft was under review by the three parliamentary subcommittees responsible for counterterrorism law issues (Legal and Constitutional Affairs; Security and Defense; and Codification of Sharia Law). This law would facilitate the detention of suspects and include mandatory sentencing for a number of terrorism-related crimes.

Prior to March 2015, the National Security Agency and President's Office drafted a National Counterterrorism Strategy. This draft was reviewed by a Ministerial Committee, but the committee was unable to finalize its task due to developments in the country. Therefore, Yemen's National Counterterrorism Strategy had not been officially adopted or implemented by the end of 2016.

Yemen employs the U.S.-provided Personal Identification Secure Comparison and Evaluation System (PISCES) in an effort to secure borders and identify fraudulent travel documents. In spite of the conflict, Yemen has been able to maintain traveler screening at a limited number of points of entry.

In past years, the Yemeni government's Coast Guard forces played a critical role in interdicting weapons and other illegal materials destined for Yemen-based terrorist groups, although Yemen's maritime borders remained extremely porous due to a lack of capacity. In 2016, Yemen's military, including the coast guard, was degraded as a result of the current conflict. Although AQAP lost control of Mukalla in April 2016, the coast remained highly vulnerable to maritime smuggling of weapons, materials, and goods used to finance AQAP and other terrorist activities. In the past, U.S. partners provided training and technical assistance in a number of counterterrorism-related areas, although the conflict in-country precluded these efforts in 2016.

Countering the Financing of Terrorism: Yemen is a member of the Middle East and North Africa Financial Action Task Force (MENAFATF), a Financial Action Task Force-style regional body; however, Yemen did not participate in MENAFATF meetings in 2016. There was no information from Yemen's financial information unit (FIU), which operates out of the Houthi-controlled Central Bank of Yemen (CBY) in Sana'a. The FIU and its functions were not transferred to the Yemeni government-controlled CBY in Aden.

For further information on money laundering and financial crimes, see the *2017 International Narcotics Control Strategy Report (INCSR), Volume II, Money Laundering and Financial Crimes*: http://www.state.gov/j/inl/rls/nrcrpt/index.htm.

Countering Violent Extremism: Throughout 2016, the Government of Yemen leadership stressed the importance of countering violent extremism as the country moves forward towards a peace deal. The Government of Yemen will need to focus on the details of such a plan once conditions allow.

International and Regional Cooperation: The Government of Yemen continued to cooperate with and be advised by the Gulf Cooperation Council, the United States, and other donor countries as it focused on working towards a peaceful solution to the conflict. Despite the challenges, the Government of Yemen remained an international partner as it worked to reestablish rule of law within the territory it holds.

SOUTH AND CENTRAL ASIA

Overview: Although al-Qa'ida (AQ) in Afghanistan and Pakistan has been seriously degraded, remnants of AQ's global leadership, as well as its regional affiliate al-Qa'ida in the Indian Subcontinent (AQIS), continued to operate from remote locations in the region that the group has historically exploited for safe haven. International, Afghan, and Pakistani forces continued to contest AQ's presence in the region, and Pakistan's continued military offensive in North Waziristan further degraded the group's freedom to operate. Pressure on AQ's traditional safe havens has constrained the leadership's ability to communicate effectively with affiliate groups outside of South Asia.

Afghanistan, in particular, continued to experience aggressive and coordinated attacks by the Afghan Taliban, including the affiliated Haqqani Network (HQN) and other insurgent and terrorist groups. A number of these attacks were planned and launched from safe havens in Pakistan. Afghan National Defense and Security Forces (ANDSF) retained full responsibility for security in Afghanistan, and prevented the Taliban from capturing a provincial capital in 2016, although it suffered an unprecedented number of casualties in an intense fighting season. The ANDSF and Coalition Forces, in partnership, took aggressive action against terrorist elements across Afghanistan. A peace agreement between Hizb-e Islami Gulbuddin and the Afghan government in September was the first signed by an insurgent group since the 2001 fall of the Taliban.

While terrorist-related violence in Pakistan declined for the second straight year in 2016, the country continued to suffer significant terrorist attacks, particularly against vulnerable civilian and government targets. The Pakistani military and security forces undertook operations against groups that conducted attacks within Pakistan such as Tehrik-e Taliban Pakistan. Pakistan did not take substantial action against the Afghan Taliban or HQN, or substantially limit their ability to threaten U.S. interests in Afghanistan, although Pakistan supported efforts to bring both groups into an Afghan-led peace process. Pakistan did not take sufficient action against other externally focused groups, such as Lashkar e-Tayyiba and Jaish-e-Mohammad (JeM) in 2016, which continued to operate, train, organize, and fundraise in Pakistan.

ISIS's formal branch in Afghanistan and Pakistan, Islamic State's Khorasan Province, remained active in 2016, although counterterrorism pressure from Afghan and U.S. Forces removed hundreds of fighters from the battlefield and restricted the group's ability to control territory. Nevertheless, the group was able to conduct a number of high-profile, mass-casualty attacks in Kabul against sectarian and Afghan government targets. The group also claimed a number of mass-casualty attacks in Pakistan's settled areas, likely conducted in collaboration with anti-Shia terrorist groups like Lashkar i Jhangvi.

India continued to experience attacks, including by Maoist insurgents and Pakistan-based terrorists. Indian authorities continued to blame Pakistan for cross-border attacks in Jammu and Kashmir. In January, India experienced a terrorist attack against an Indian military facility in Pathankot, Punjab, which was blamed by authorities on JeM. Over the course of 2016, the Government of India sought to deepen counterterrorism cooperation and information sharing with the United States. The Indian government continued to closely monitor the domestic threat

from transnational terrorist groups like ISIS and AQIS, which made threats against India in their terrorist propaganda. A number of individuals were arrested for ISIS-affiliated recruitment and attack plotting within India.

Bangladesh experienced a significant increase in terrorist activity in 2016. Transnational groups such as ISIS and AQIS claimed several attacks targeting foreigners, religious minorities, police, secular bloggers, and publishers. Most notably, ISIS claimed responsibility for a July 1 attack on a restaurant in Dhaka's diplomatic enclave, which resulted in 22 deaths. The Government of Bangladesh primarily attributed these attacks to domestic terrorists and political opposition.

People from Central Asia have travelled to Iraq or Syria to fight with militant and terrorist groups, including ISIS. Central Asians, like western Europeans, have been drawn to the fighting in Iraq and Syria for myriad reasons and fight on several sides. Central Asian leaders remained concerned about their involvement, but there was little evidence of Central Asian fighters returning home in significant numbers intent on attacking. Foreign terrorist fighters from Central Asian nations were suspected of committing attacks in third countries, however, including the June attack at the Istanbul, Turkey airport.

AFGHANISTAN

Overview: Primary responsibility for security in Afghanistan transitioned in January 2015 from U.S. and international forces, operating under the then NATO-led International Security Assistance Force (ISAF) Mission, to the Afghan National Defense and Security Forces (ANDSF), while U.S. forces maintain the capacity to conduct counterterrorism operations in Afghanistan as outlined in the U.S.-Afghan Bilateral Security Agreement. In 2016, the majority of counterterrorism operations were carried out in partnership with, or solely by, Afghan forces. Additionally, the United States supported Afghan efforts to professionalize and modernize Afghanistan's security forces through the contribution of almost 7,000 U.S. troops to the NATO Resolute Support Mission, a non-combat mission to train, advise, and assist Afghan security forces to improve their readiness and capabilities.

The fighting between the ANDSF and the Taliban throughout 2016 was characterized by the capture and recapture of facilities and territory by both sides, with the ANDSF maintaining control of major population centers – provincial capitals and the majority of district centers – while the Taliban gained or maintained control of substantial territory in less populated, rural areas (although it was able to regularly exert pressure on population centers), thereby creating an environment of persistent insecurity. Despite repeated sieges, the Taliban were unable to fully capture and hold provincial government capitals in Farah, Helmand, Kunduz, and Uruzgan. The Taliban, and the affiliated Haqqani Network (HQN), also increased high-profile terrorist attacks targeting Afghan government officials – including justice officials – and members of the international community.

ISIS's radical and violent ideology, combined with larger payments to fighters and their families, attracted disaffected elements of insurgent and terrorist groups in Afghanistan, however, a vast majority of Afghans, including Afghanistan-based militants such as the Taliban, rejected ISIS's ideology and brutal tactics. Islamic State's Khorasan Province (ISIS-K) presence was

primarily limited to some areas of Nangarhar and Kunar provinces. The ANDSF and U.S. counterterrorism operations killed hundreds of ISIS-K fighters, including ISIS-K leader Hafiz Saeed Khan in July 2016 in Nangarhar Province. On numerous occasions, Taliban and ISIS-K fighters clashed over control of territory and resources. ISIS-K conducted a number of high-profile attacks during the second half of 2016.

2016 Terrorist Incidents: Insurgents across Afghanistan used a variety of tactics to expand their territorial influence, disrupt governance, and create a public perception of instability. According to ANDSF statistics, ANDSF casualties were 30 percent higher in 2016 than in 2015. Insurgents continued to use large vehicle-borne improvised explosive devices (VBIED) and complex attacks involving multiple attackers laden with suicide vests working in teams to target ANDSF, Afghan government buildings, foreign governments, and soft civilian targets to include international organizations. Kabul remained a focus of high-profile attacks. Baghlan, Farah, Ghazni, Helmand, Kunar, Nangarhar, and Uruzgan were the most dangerous provinces for ANDSF and civilians. U.S. citizens and foreigners continued to be targeted in kidnapping operations.

High-profile incidents included:

- On January 4, the Taliban claimed responsibility for detonating a VBIED near U.S. facility Camp Sullivan in Kabul, destroying several buildings and damaging the outer wall.
- On January 20, a Taliban suicide bomber drove a car loaded with explosives into a minibus carrying employees of Afghanistan's largest television network, Tolo TV. The blast killed seven Tolo employees and injured 25.
- On April 19, HQN attackers detonated a VBIED on a National Directorate of Security (NDS) compound adjacent to the International Zone housing foreign embassies, killing 64 people and wounding 347 Afghans. This was the largest terrorist attack in an urban area since 2001 in terms of overall casualties.
- On June 20, an ISIS-K member detonated a suicide vest next to a bus carrying Nepali security guards from the Canadian Embassy, killing 16 people.
- On July 23, an ISIS-K member detonated a suicide vest at a peaceful demonstration by the Hazara ethnic minority group in Kabul, killing 80 people and wounding 231 people.
- On August 1, the Taliban detonated a 3,000 pound VBIED at the Northgate Hotel in Kabul. One Afghan National Police officer died in the subsequent fighting.
- On August 8, two American University of Afghanistan (AUAF) professors, one American and one Australian, were kidnapped in Kabul while traveling in their vehicle.
- On August 24, three insurgents attacked the AUAF in Kabul, killing seven students, seven teachers, three police officers, and two security guards. At least 35 other people were wounded, and all three of the attackers were killed. No group claimed responsibility for this attack, although many alleged it was the Taliban.
- On September 5, a Taliban suicide bomber killed 30, including several senior security officials, and wounded more than 90 people when explosives were detonated near the Ministry of Defense.
- On October 11, three ISIS-K terrorists assaulted the Ziarat-e-Sakhi mosque in Kabul as Shia Muslims commemorated Ashura, killing 17 individuals and injuring 58 others.

- On November 10, insurgents attacked the German Consulate in the provincial capital of Mazar-e-Sharif. The terrorists are widely believed to have belonged to the Taliban or its HQN affiliate. Terrorists killed one civilian and wounded 35 people when they used a VBIED to penetrate the security wall at the consulate. No German nationals were wounded, although the Consulate was severely damaged and will not reopen.
- On November 12, an Afghan employee at Bagram Airfield detonated a suicide vest inside the base at the behest of the Taliban, killing three U.S. soldiers, two U.S. contractors and wounding 14 people (13 U.S. citizens and one Polish national).

Legislation, Law Enforcement, and Border Security: The Afghan Attorney General's Office investigates and prosecutes violations of the laws that prohibit membership in terrorist or insurgent groups, violent acts committed against the state, hostage taking, murder, and the use of explosives against military forces and state infrastructure, including the *Law on Crimes against the Internal and External Security of the State* (1976 and 1987), the *Law on Combat Against Terrorist Offences* (2008), and the *Law of Firearms, Ammunition, and Explosives* (2005).

In early 2014, the Justice Center in Parwan (JCIP) at Bagram Airfield began adjudicating cases of individuals detained by Afghan security forces who were never held in Coalition Law of Armed Conflict (LOAC) detention. The JCIP is the only counterterrorism court in Afghanistan that has nationwide jurisdiction. Notable cases tried during 2016 included:

- Fazal Rabi, who was convicted of providing financial and logistical support to the HQN and the Taliban, while based in Pakistan. He was sentenced to 10 years confinement by the primary court on August 8. His case was awaiting an appellate court trial at year's end.
- Shaiuqullah was arrested in connection with rocket attacks on Bagram Airfield, which resulted in the death of a U.S. Defense Logistics Agency civilian. Shaiuqullah was found guilty of the lesser charge of membership in a terrorist organization by the primary court on May 9. He was sentenced to three years' confinement. The case was with the appellate court at year's end, which has ordered the NDS and Afghan prosecutors to provide more direct evidence supporting the murder charge.
- Anas Haqqani, who was detained in 2014, was sentenced to death by the primary court on August 29 for recruiting and fundraising on behalf of the HQN. Anas is the brother of Sirajuddin Haqqani, the deputy leader of the Taliban. The case remained in the Afghan legal system at the end of 2016.

On several occasions, U.S. law enforcement agencies assisted the Ministry of Interior, NDS, and other Afghan authorities to take action to disrupt and dismantle terrorist operations and prosecute terrorist suspects.

Afghanistan continued to process traveler arrivals and departures at major points of entry using the Personal Identification Secure Comparison and Evaluation System (PISCES). The system has been valuable for Afghanistan's law enforcement and counterterrorism authorities in investigative and analytical efforts, and has been successfully integrated with INTERPOL's i-24/7 system.

Afghanistan continued to face significant challenges in protecting the country's borders, particularly in the border regions with Pakistan. The Afghan Border Police leadership has stated its numbers and weaponry are insufficient to successfully secure border areas where they face difficult terrain, logistical challenges, and a heavily armed and determined insurgency.

Afghan civilian security forces continued to participate in the Department's Anti-Terrorism Assistance program, receiving capacity-building training and mentorship in specialized counterterrorism-related skillsets such as crisis response.

Countering the Financing of Terrorism: Afghanistan is a member of the Asia/Pacific Group on Money Laundering, a Financial Action Task Force (FATF)-style regional body. Afghanistan remains on FATF's list of "jurisdictions with strategic deficiencies" (the "gray list"). Specifically, insufficient cooperation and lack of capacity among government agencies continued to hamper terrorist finance investigations in Afghanistan.

In 2016, the FATF called on Afghanistan to "provide additional information regarding the implementation of its legal framework for identifying, tracing, and freezing terrorist assets [and] continue implementing its action plan to address the remaining anti-money laundering/combating the financing of terrorism (AML/CFT) deficiencies." Afghanistan's financial intelligence unit, the Financial Transactions and Reports Analysis Center of Afghanistan (FinTRACA), a member of the Egmont Group of Financial Intelligence Units, expressed its intent to reach the FATF action plan milestones.

Terrorist financing is a criminal offense in Afghanistan. In 2016, the attorney general issued an order immediately freezing assets of individuals and entities designated under UN Security Council resolutions 1267 and 1988. The Afghan government distributes UN sanctions lists under the 1267 and 1988 sanctions regimes to financial institutions via a link on FinTRACA's website. To ensure full compliance with international standards on asset freezing, FATF recommended increased awareness among various relevant authorities about its obligations under the country's CFT law.

Afghan officials indicated that because al-Qa'ida, the Taliban, and terrorist organizations from the Central Asian republics transfer their assets person-to-person or through informal banking system mechanisms like the *hawala* system, it is difficult to track, freeze, and confiscate assets. On occasions when more formal illicit transactions have come to the attention of the Afghan government, either via FinTRACA or security agencies, these entities reportedly worked promptly to both freeze and confiscate those assets.

The country's counterterrorist finance law considers non-profit organizations as legal persons and requires them to file suspicious transaction reports. Similarly, money services businesses (MSBs), like *hawaladars* (brokers who informally transfer money within the *hawala* system), are required to register with and provide currency transaction reports to FinTRACA. Although these reports are not always consistently filed, supervision of *hawalas* and other MSBs is improving. FinTRACA revoked 61 business licenses and imposed $45,000 in fines on MSBs in 2016 for failure to comply with anti-money laundering/counterterrorist financing laws.

For further information on money laundering and financial crimes, please see the *2017 International Narcotics Control Strategy Report (INCSR), Volume 2, Money Laundering and Financial Crimes*: http://www.state.gov/j/inl/rls/nrcrpt/index.htm.

Countering Violent Extremism: Since taking office in 2014, President Ghani has actively engaged on countering violent extremism (CVE) efforts, requesting that the Ulema Council, the recognized scholars and authorities on Islam in Afghanistan, condemn insurgent attacks and issue calls for peace in mosques throughout the country. President Ghani and Chief Executive Officer Abdullah reached out in the beginning of their tenure (2014) to civil society groups to understand the challenges of violent extremism and explore ways to counter these challenges. In an effort to stem discontent, President Ghani also visited a number of prisons and detention facilities to address inmate complaints about poor conditions and inequitable clemency programs. Afghan religious leaders and government officials attended conferences at the Hedayah Center, an International Center of Excellence for Countering Violent Extremism in Abu Dhabi.

Since late 2015, the Afghan Office of the National Security Council (ONSC) has been working, with international donor support, to develop a national strategy to counter violent extremism. The ONSC created an inter-ministerial working group to develop and implement the strategy, and supported a series of provincial-level conferences on CVE designed to elicit feedback from provincial leaders on the best way to prevent and counter violent extremism in their communities. This feedback will be integrated into the final government strategy.

The lack of oversight over religious activities at mosques remained an issue as only 50,000 out of 160,000 mosques are registered with the Ministry of Hajj and Religious Affairs and the Ministry of Education. Weak regulation of religious institutions has led to a number of unregistered mosques with associated religious schools (madrassas) operating independently of the government.

While executing the fighting season campaign against the Taliban, President Ghani has simultaneously encouraged the Taliban and other insurgent groups to join a peace process. Supported by the United States and other members of the international community, the Afghanistan Peace and Reintegration Program (APRP), launched in 2010, was the government's main tool for the implementation of peace activities, including the demobilization and reintegration of former insurgents, provincial-level peace outreach, engagement with the Ulema on CVE, and national-level reconciliation initiatives with senior Taliban leadership. Since its inception, the APRP claims to have reintegrated more than 11,074 former combatants, including 1,051 key commanders.

In 2016, the Afghan government transitioned away from the APRP towards a new, as yet unfinished project to create a broader Afghan National Peace and Reconciliation (ANPR) strategy. ANPR aims to: (1) promote reconciliation with insurgent groups; (2) build domestic and international consensus on the peace process; and (3) institutionalize a "culture of peace."

The Afghan government signed a peace agreement with the Hizb-e Islami Gulbuddin (HIG) group in September, which was broadly supported by political groups. Successful

implementation of the HIG agreement in 2017 and beyond, which was the first signed by an insurgent group after the fall of the Taliban in 2001, could set an example for other insurgent groups to follow.

Regional and International Cooperation: The Afghan government consistently emphasized the need to strengthen joint cooperation to fight terrorism and violent extremism in a variety of bilateral and multilateral fora. Notable among them is the Heart of Asia-Istanbul Process, in which regional countries have committed to counterterrorism cooperation. Afghanistan, Turkey, and the United Arab Emirates lead the Counterterrorism Confidence Building Measure within the Process. The Afghan government also works closely with the UN Assistance Mission in Afghanistan and the United Nations Regional Center for Preventative Diplomacy for Central Asia to facilitate regional cooperation on a range of issues, including counterterrorism. Afghanistan is also an observer state within regional security organizations, such as the Shanghai Cooperation Organization and the Collective Security Treaty Organization; Afghanistan joined the Global Coalition to Defeat ISIS as its 66th member.

BANGLADESH

Overview: Bangladesh experienced a significant increase in terrorist activity in 2016. The Government of Bangladesh has articulated a zero-tolerance policy towards terrorism, made numerous arrests of terrorist suspects, and continued its counterterrorism cooperation with the international community. The Government of Bangladesh often attributed extremist violence to the political opposition and local militants. Both al-Qa'ida in the Indian Subcontinent (AQIS) and ISIS claimed responsibility for a significant number of the attacks that took place in Bangladesh. Terrorist organizations used social media to spread their radical ideologies and solicit followers from Bangladesh. Bangladesh was featured in multiple publications, videos, and websites associated with ISIS and AQIS.

2016 Terrorist Incidents: ISIS claimed responsibility for 18 attacks in Bangladesh in 2016, the most significant being the attack on July 1 on the Holey Artisan Bakery, an upscale restaurant in the diplomatic enclave frequented by the expatriate community. The five Bangladeshi attackers killed 20 hostages and two police officers using guns, explosives, and sharp weapons. The hostages were mostly foreigners, including nine Italians, seven Japanese, one U.S. citizen, one Indian, and two Bangladeshis. According to accounts of the incident, the attackers spared hostages who could demonstrate that they were Muslim by reciting verses from the Koran. The other attacks were generally machete attacks on individuals from minority groups or law enforcement entities.

AQIS claimed responsibility for two attacks in 2016: (1) the April 6 murder of an online Bangladeshi activist and (2) the April 25 murder of a U.S. embassy local employee and his friend. In both cases, the assailants used machetes. Throughout the year, Bangladesh suffered several other small-scale attacks for which there were no public claims of responsibility, including the July 7 bomb blast at an Eid-gathering in Sholakia that killed four people – including two police officers – and injured seven.

Legislation, Law Enforcement, and Border Security: Bangladesh's criminal justice system is in the process of fully implementing the Antiterrorism Act of 2009 (ATA) as amended in 2012 and 2013. Although Bangladesh's ATA does not outlaw recruitment and travel in furtherance of terrorism, the broad language of the ATA provides several mechanisms by which Bangladesh can implement UN Security Council resolution (UNSCR) 2178 (2014), related to addressing the foreign terrorist fighter threat. Despite lacking laws specific to foreign terrorist fighters, Bangladesh has arrested suspected foreign terrorist fighters or facilitators of such fighters on other charges under existing law. Bangladesh cooperated with the United States to further strengthen control of its borders and land, sea, and air ports of entry, which is also called for by UNSCR 2178. Bangladesh cooperated with the United States to further strengthen control of its borders and land, sea, and air ports of entry. The international community devoted particular attention to aviation security and on June 28, Germany joined the United Kingdom and Australia in banning direct cargo shipments from Bangladesh due to security concerns. Bangladesh shared law enforcement information with INTERPOL but does not have a dedicated terrorist watchlist. Bangladesh does not have an interactive advanced passenger information system. The Department of State is working with Bangladesh to assist in developing a screening infrastructure to better secure its borders.

The newly-formed Counterterrorism and Transnational Crime Unit (CTTCU) of the Dhaka Metropolitan Police began operations in February and gained a national mandate in August. On February 19-20, the CTTCU arrested two suspected members of the local terrorist group Ansarullah Bangla Team (ABT), which is affiliated with AQIS, leading to the discovery and destruction of a bomb-making factory. In the aftermath of the Holey Artisan Bakery attack, law enforcement have captured or killed numerous suspected militants in several raids. These include the July 26 raid in the Kalyanpur neighborhood of Dhaka, where police killed nine suspected militants. Police reported recovering ISIS paraphernalia and explosives and other weapons on site. On August 27, police reported killing ISIS's operational head in Bangladesh, Tamim Chowdhury, in a raid in Narayanganj. The CTTCU and the Rapid Action Battalion (RAB) conducted significant raids on September 10 in Azimpur and October 8 in Gazipur, directed at suspected members who reportedly have links to ISIS. Observers believe at least some of the raids are staged by law enforcement, particularly the RAB.

Bangladesh continued to participate in the Department of State's Antiterrorism Assistance program and received counterterrorism-focused training for law enforcement officers. Bangladesh also received Department of Justice prosecutorial skills training, and community policing support in targeted areas of the country. U.S. Special Operations Command Pacific (SOCPAC) continued security and stability engagements with a number of Bangladesh security forces – including the Bangladesh Coast Guard, Bangladesh Navy Special Warfare and Diving Salvage (SWADS) unit, the Bangladesh Army 1st Para Commando Battalion, and the Border Guards Bangladesh. The prime minister demonstrated a willingness to draw upon military assets when she called in the 1st Para Commando Battalion and SWADS to assist with the Holey Bakery hostage crisis.

Countering the Financing of Terrorism: Bangladesh is a member of the Asia/Pacific Group on Money Laundering (APG), a Financial Action Task Force (FATF)-style regional body. The Bangladesh Financial Intelligence Unit (BFIU) is a member of the Egmont Group of Financial

Intelligence Units. The Bangladesh Bank (the central bank) and the BFIU lead the government's efforts to comply with the international anti-money laundering/countering the financing of terrorism (AML/CFT) standards and international sanctions regimes.

A 2016 APG Mutual Evaluation report stated that Bangladesh is technically compliant with international AML/CFT standards, but that the country's effectiveness in implementing regulations requires significant improvement. The report found that the main terrorist finance threat to Bangladesh is from domestic groups that operate using small-scale funding derived through micro-financing methods. While the country faces significant domestic terrorist finance risks, Bangladesh law enforcement and intelligence agencies demonstrate a strong understanding of these risks. Furthermore, the BFIU is empowered to obtain information from other agencies and demonstrates high quality analysis and product dissemination capabilities. Still, the judicial sector is under-resourced for carrying out prosecutions and obtaining convictions and the banking and non-banking sectors require further implementation of preventative measures such as customer due diligence and suspicious transaction reports.

The terrorist finance provisions of the ATA outlaw the provision, receipt, and collection of money, services, and material support, where "there are reasonable grounds to believe that the same has been used or may be used for any purpose by a terrorist entity." The ATA prohibits membership in and support of prohibited organizations, i.e., organizations engaged or involved in terrorist activities, including the organizations listed in the UN Security Council ISIL (Da'esh) and al-Qa'ida sanctions regime. The Bangladesh Bank also publishes domestically-designated as well as UN-sanctioned individuals and groups on its website. The ATA includes a broad provision providing for mutual legal cooperation on terrorism matters with other nations and a comprehensive forfeiture provision for assets involved in terrorism activities. Implementation of the ATA and other laws remains a significant issue; however, as demonstrated by the absence of a significant number of terrorist financing and money laundering convictions.

For further information on money laundering and financial crimes, see the *2017 International Narcotics Control Strategy Report (INCSR), Volume II, Money Laundering and Financial Crimes*: http://www.state.gov/j/inl/rls/nrcrpt/index.htm.

Countering Violent Extremism: In 2016, Bangladesh organizations continued cooperative activities through the Community Support Mechanism (CSM) under the Global Community Engagement and Resilience Fund (GCERF), a public-private global fund to support local, grassroots efforts to counter violent extremism. The CSM signed grants with three local organizations as principal recipients of GCERF funds. The Ministry of Religious Affairs and the National Committee on Militancy, Resistance, and Prevention work with imams and religious scholars to build public awareness against terrorism. The police are engaging religious leaders in the fight against violent extremism by helping to counter militant propaganda with appropriate scripture-based messages and engaging imams to speak to surrendered militants to explain that the Koran does not support terrorist violence. The police also are continuing community policing efforts. Law enforcement authorities are working with local universities to identify missing students and to curb radicalization of university students. Local research institutions, including private think tanks and both public and private universities, have begun to engage in CVE-related research.

INDIA

Overview: Counterterrorism cooperation between India and the United States continued to increase in 2016, with both sides committing to deepen bilateral engagement against the full spectrum of terrorism threats. Indian leadership expressed resolve to redouble efforts, in cooperation with the United States and with other like-minded countries, to bring to justice the perpetrators of terrorism. India and the United States pledged to strengthen cooperation against terrorist threats from groups including al-Qa'ida (AQ), ISIS, Jaish-e-Mohammad (JeM), Lashkar e-Tayyiba (LeT), and D-Company, including through greater collaboration on designations at the UN.

Indian and U.S. leaders directed officials to identify new areas of collaboration through the July U.S.-India Counterterrorism Joint Working Group, applauded finalization of a bilateral arrangement to facilitate the sharing of terrorism screening information, and called upon Pakistan to bring the perpetrators of terrorist attacks against India to justice.

During 2016, U.S. and Indian officials exchanged terrorist threat information in intelligence and law enforcement channels. U.S. Department of Justice officials worked with Indian interlocutors – including at the National Investigation Agency (NIA) – to enhance capacity for addressing use of the internet for terrorist purposes and to assist Indian investigations in terrorism-related cases. U.S. and Indian officials continued to strengthen cooperation on domestic terrorist designations, including implementation of UN Security Council resolution (UNSCR) 1373 (2001), and on international designations, pursuant to the UN Security Council (UNSC) ISIL (Da'esh) and al-Qa'ida sanctions regime. The United States and India worked together to designate JeM leader Maulana Masood Azhar, although the listing was blocked in the UN 1267 Committee. The U.S. Department of Homeland Security continued to work with Indian counterparts to counter IED threats. The U.S. Department of the Treasury and India's Ministry of Finance continued to combat money laundering and terrorist financing.

While India has not joined the U.S.-led Global Coalition to Defeat ISIS, it has publicly recognized the serious threat ISIS poses to global security and affirmed efforts to degrade and defeat this threat in accordance with UNSCRs 2178 (2014) and 2199 (2015). Indian officials have stated that their government takes threats posed by ISIS seriously and Indian law enforcement agencies arrested at least 68 ISIS supporters in 2016. In some instances, clerics and family members supported government-led de-radicalization efforts. In October, the Ministry of Home Affairs appointed a Senior Advisor to Curb Online Radicalization.

2016 Terrorist Incidents:

- On January 2, terrorists attacked Pathankot Air Force Station in Punjab, killing eight security personnel and one civilian. Security forces killed five attackers and India's Ministry of Home Affairs subsequently sanctioned the prosecution in absentia of JeM leader Maulana Masood Azhar and three others for alleged involvement in the attack.
- On June 25, alleged LeT terrorists attacked a Central Reserve Police Force (CRPF) convoy in Pampore, Jammu and Kashmir; killing eight officers and injuring 20. Indian security forces killed two attackers.

- On August 5, suspected Bodo militants (armed Christian separatists who seek to obtain a sovereign Bodoland for the Bodo people in Assam) attacked a marketplace in Kokrajhar, Assam, killing 14 people and injuring 15 people.
- On September 18, terrorists attacked an Indian Army brigade headquarters in Uri, Jammu and Kashmir, killing 19 Indian soldiers and injuring more than 30 people. Indian security forces killed four attackers allegedly affiliated with LeT.
- On October 3, terrorists attacked an Indian army camp in the Baramulla District, Jammu and Kashmir, killing one officer. Security forces killed two attackers allegedly affiliated with JeM.
- On November 29, militants attacked an army base in Nagrota, Jammu and Kashmir, killing seven Indian soldiers.

Legislation, Law Enforcement, and Border Security: India made no major changes to its counterterrorism laws in 2016 and continued to address terrorism-related activities through existing statutes, including the Unlawful Activities Prevention Act (UAPA) (1967), the South Asian Association for Regional Cooperation Convention on Suppression of Terrorism Act (1993), and various state-level laws. The UAPA presumes the accused to be guilty if the prosecution can produce incriminating evidence indicating the possession of arms or explosives or the presence of fingerprints at a crime scene, regardless of whether criminal intent is demonstrated. State governments held persons without bail for extended periods before filing formal charges under the UAPA. Other state-level counterterrorism laws reduce evidentiary standards for certain charges and increase police powers to detain an accused and his or her associates without charges and without bail for extended periods, sometimes lasting several years.

During 2016, India undertook measures to address the terrorist threat, including through efforts to improve the exchange of terrorism screening information and through law enforcement cooperation in individual cases. In July, a Mumbai court sentenced Indian Mujahideen/LeT affiliate and accused 2008 Mumbai attack conspirator Zabiuddin Ansari (aka Abu Jundal) to life imprisonment for his involvement in a 2006 criminal case. In July, India and Bangladesh agreed on steps to improve procedures for extraditing suspects involved in terrorism and organized crime. In November, the Ministry of Home Affairs banned radical cleric Zakir Naik's Islamic Research Foundation as "an unlawful organization."

Since the 2008 Mumbai terrorist attack, India has sought to enhance its counterterrorism capabilities. Interagency coordination and information sharing remained a challenge, and local police forces continued to suffer from poor training and equipment. India has launched initiatives to address some of these challenges, including through a Multi-Agency Centre for enhancing intelligence gathering and sharing.

Indian officials participated in U.S.-sponsored law enforcement and security training at the central government and state levels to enhance India's capabilities in critical incident management, infrastructure security, community-oriented policing, crime scene investigations, explosive ordnance detection and countermeasures, forensics, cyber security, mega city policing, and other areas. Indian police and civilian security officials at both the state and federal levels received 12 capacity-building training courses under the Department of State's Antiterrorism

Assistance program in technical areas related to counterterrorism and law enforcement. In addition, the Department of Homeland Security, through Immigration and Customs Enforcement, and the U.S. Federal Bureau of Investigation, conducted training programs and exchanges with Indian law enforcement personnel.

Countering the Financing of Terrorism: India is a member of the Financial Action Task Force (FATF) and two FATF-style regional bodies – (1) the Eurasian Group on Combating Money Laundering and Financing of Terrorism and (2) the Asia/Pacific Group on Money Laundering. India's Financial Intelligence Unit-India (FIU-IND) is a member of the Egmont Group of Financial Intelligence Units. The government regulates the money services business (MSB) sector, requiring the collection of data for wire transfers and the filing of suspicious transaction reports (STRs) by non-profit organizations. While the Indian government supervised, regulated, and monitored these entities to prevent misuse and terrorist financing, a large unregulated and unlicensed MSB sector remained vulnerable to exploitation by illicit actors.

In November, Prime Minister Modi announced the de-monetization of 500 and 1,000 rupee currency notes and asserted that one purpose of this initiative was to curb terrorist activity funded by counterfeit notes, black money, and stockpiled cash reserves. Although the Government of India aligned its domestic anti-money laundering/countering the financing of terrorism (AML/CFT) laws with international standards by enacting amendments to the Prevention of Money Laundering Act in 2012, and in 2016 initiated a National Risk Assessment for AML/CFT to assess the country's terrorist financing risk, it has yet to implement the legislation effectively, especially with regard to criminal convictions. Law enforcement agencies typically open criminal investigations reactively and seldom initiate proactive analysis and long-term investigations. While the Indian government has taken action against certain *hawala* financing activities, prosecutions have generally focused on non-financial businesses that conduct *hawala* transactions as a secondary activity. Additionally, the government has not taken adequate steps to ensure all relevant industries are complying with AML/CFT regulations. The reporting of terrorism-related STRs has shown an increasing trend in recent years, with FIU-IND receiving 112,527 STRs between July 2015 and May 2016.

The degree of training and expertise in financial investigations involving transnational crime or terrorism-affiliated groups varied widely among the federal, state, and local levels and depended on the financial resources and individual policies of various jurisdictions. U.S. investigators have had limited success in coordinating the seizure of illicit proceeds with Indian counterparts. While, in the past, intelligence and investigative information supplied by U.S. law enforcement authorities led to numerous seizures of terrorism-related funds, a lack of follow-through on investigative leads has prevented a more comprehensive approach. India continues to comply with international sanctions pursuant to the UNSC ISIL (Da'esh) and al-Qa'ida sanctions regime.

For further information on money laundering and financial crimes, see the *2017 International Narcotics Control Strategy Report (INCSR), Volume II, Money Laundering and Financial Crimes*: http://www.state.gov/j/inl/rls/nrcrpt/index.htm.

Countering Violent Extremism: During 2016, India continued to support efforts to counter violent extremism. Following the naming of a special envoy for counterterrorism and extremism in June 2015, the Ministry of Home Affairs in October appointed a senior advisor to curb online radicalization. The Indian government advanced some countering violent extremism efforts, provided tacit support for civil society efforts to counter violent extremism, continued initiatives to provide "quality and modern education" in madrassas, and maintained programs to rehabilitate and reintegrate former terrorists and insurgents into mainstream society. These programs targeted disaffected sectors of Indian society that have been sources of violent insurgency.

Indian government officials continued to raise concerns over the use of social media and the internet to recruit, radicalize, and foment inter-religious tensions. In particular, officials expressed concern about ISIS's ability to recruit online, following incidents in which Indians were attracted to join or support the group.

International and Regional Cooperation: India is a founding member of the Global Counterterrorism Forum (GCTF) and participated in GCTF and other UN forums on counterterrorism in 2016. India also used multilateral fora and bilateral visits to highlight terrorism concerns and their impacts. During the 2016 BRICS (a grouping of emerging economies that includes Brazil, China, India, Russia, and South Africa) Summit and the 2016 BIMSTEC (Bangladesh, Bhutan, Myanmar, Nepal, Sri Lanka, and Thailand) Leaders' Retreat, India led efforts to produce declarations condemning terrorism and calling for joint efforts to counter it. During visits with Israel, Japan, and the United Kingdom, Indian leaders and their counterparts likewise focused on terrorism issues and counterterrorism efforts. Led by India, the 2016 Heart of Asia ministerial meetings condemned terrorist groups including ISIS, LeT, and JeM for their contribution to terrorist violence in the region.

India continued to cooperate with its neighbors on counterterrorism matters. During 2016, India and Bangladesh continued to strengthen their cooperation under their bilateral Coordinated Border Management Plan to control illegal cross-border activities.

KAZAKHSTAN

Overview: Kazakhstan experienced two violent attacks in 2016, the first major deadly attacks since 2011. Government leaders classified both events as acts of terrorism and blamed external influence, although law enforcement investigations found no evidence of direct association with foreign terrorist organizations. Kazakhstan expressed interest in expanding counterterrorism cooperation with the United States, particularly in countering violent extremism (CVE). The government has long feared the potential return of foreign terrorist fighters from Iraq and Syria, but the June and July attacks re-focused government attention on home-grown violent extremists. The government amended counterterrorism legislation to better counter the threat, although analysts argued the government's repressive approach to CVE could backfire. Kazakhstan participated in the C5+1 regional cooperation framework between the United States and the Central Asian countries (Kazakhstan, Kyrgyz Republic, Tajikistan, Turkmenistan, and Uzbekistan), which includes a CVE-related program.

2016 Terrorist Incidents: On June 5, militants in the western city of Aktobe stormed a gun store and attempted to break into the armory at the National Guard barracks. The government said the attackers killed five civilians and three members of the National Guard. On July 18, a lone gunman attacked a police station in Almaty and a nearby office of the Committee on National Security (KNB), Kazakhstan's main security and intelligence agency, killing eight law enforcement officials and two civilians. The government was quick to identify both attacks as acts of terrorism and blamed the incidents on followers of Salafism. Government forces killed 18 alleged Aktobe attackers and detained nine others. Some of those initially sought by law enforcement as suspects were later cleared, and characterized as cases of mistaken identity. The government initially said the group was inspired by ISIS, although later reports suggested the influence was limited to online videos and propaganda. In November, the Almaty attacker told a court he committed the attack because "they do not live according to the laws of Allah."

Legislation, Law Enforcement, and Border Security: Kazakhstan has a comprehensive legal counterterrorism framework that includes provisions focused on CVE and foreign terrorist fighters. Provisions make it illegal for citizens to fight in foreign wars. The government takes a two-pronged approach to the few returning foreign terrorist fighters, pursuing rehabilitation for some, while arresting and prosecuting others. Alongside its regional partners, Kazakhstan participated in multilaterally-supported regional engagements to further develop standard operating procedures to counter emerging terrorist threats.

President Nazarbayev signed into law amendments to five legal codes and 19 laws on counterterrorism and extremism on December 22, 2016. Some of the amendments provide additional powers to security and law enforcement bodies, including simplifying procedures for conducting special search operations, granting security agencies increased control of visas and residency permits, and limiting the use of encrypted communications. Almost a fifth of the amendments simply add two years to sentencing rules in the criminal code. The amendments broadened restrictions on gun ownership and increased liability for gun store owners. An analysis from the Organization for Security and Cooperation in Europe's Office of Democratic Institutions and Human Rights, requested by the Parliament during discussion on the amendments, noted Kazakhstan's broad and vague legal definitions of extremism, which the new legislation failed to clarify, could lead to the arrest and prosecution for offenses not considered criminal by international standards. Local analysts criticized amendments that required homeowners to register guests who stay more than 10 days and a provision giving the government an internet and mobile phone network "kill switch" in the event of an "emergency," defined as everything from terrorist attacks to unapproved public rallies. Other amendments require government approval for production and dissemination of all religious literature and informational material and narrowed the personal use exemption for imported religious materials. They also call on Ministry of Religious and Civil Society Affairs to regulate religious tourism and oversee participation in the Hajj.

Law enforcement units demonstrated a strong capacity to detect, deter, and respond to terrorist incidents. The government responded to both attacks in 2016 quickly and prioritized protection of civilians in efforts to arrest the attackers. The government's counterterrorism plan allowed for enhanced interagency cooperation, coordination, and information sharing, but the extent to which this actually occurred remained unknown. There were four special counterterrorism detachments

under the Ministry of Internal Affairs, and one under the KNB. In advance of EXPO 2017 in Astana, security services have bolstered resources and capacity to protect soft targets.

Kazakhstan's Border Guard Service (BGS), part of the KNB, uses specialized passport control equipment, allowing officers to check for fraudulent documents. BGS officers received training by the State Department's Export Control and Related Border Security program to identify traffickers and terrorists, as well as K-9 unit training for counterterrorism operations. Kazakhstan remained a partner nation in the Department of State's Antiterrorism Assistance program. In recent years, Kazakhstan has strengthened security on its southern border by adding radar systems, inspection equipment and vehicles, and specialized mobile inspection groups. The government proactively worked to prevent Kazakhstanis from traveling to fight abroad in Syria and Iraq, although authorities did not release specific numbers of total fighters it arrested in 2016.

Courts delivered numerous sentences for promotion of "extremism" and terrorism, militant activities in Syria, and recruitment and plotting terrorist acts. While the government does not release annual statistics of counterterrorism-related arrests, the deputy chairman of the KNB told Parliament in September the government had thwarted 64 terrorist plots in the past five years and convicted 445 terrorists, including 33 who had returned from conflict zones.

Countering the Financing of Terrorism: Kazakhstan belongs to the Eurasian Group on Combating Money Laundering and Financing of Terrorism (EAG), a Financial Action Task Force (FATF)-style regional body. Kazakhstan's unregulated financial sector is relatively small. In 2016, Kazakhstan made improvements in compliance with FATF standards for the criminalization of money laundering and terrorist financing and was removed from the EAG's "enhanced monitoring procedures" list.

The government has passed legislation that criminalizes terrorist financing in accordance with international standards, mandating financial institutions to freeze known terrorist assets without delay. Kazakhstan's legal and regulatory framework does not explicitly detail freezing procedures for financial institutions.

The government monitors and regulates money/value transfer and other remittance services and requires the collection of data for wire transfers (i.e. requires originator and recipient name, address, and account number). Following passage of amendments to the Law on Payments in August, NGOs must submit financial reports on all foreign funds and assets received, as well as the activities they conducted with those funds. Additionally, authorities routinely distributed the UN Security Council ISIL (Da'esh) and al-Qa'ida sanctions list to financial institutions.

For further information on money laundering and financial crimes, see the *2017 International Narcotics Control Strategy Report (INCSR), Volume II, Money Laundering and Financial Crimes*: http://www.state.gov/j/inl/rls/nrcrpt/index.htm.

Countering Violent Extremism: The government often pointed to foreign influence as a primary driver of violent extremism. Following the June and July attacks, President Nazarbayev and other officials asserted the perpetrators were adherents of radical movements who received

instructions from abroad. However, some local experts asserted additional factors, such as criminal history, poverty, and lack of opportunity may have led to the attackers' radicalization.

Government officials and independent analysts publicly indicated that individuals in the prison system are vulnerable to terrorism recruitment, and noted many of the Aktobe attackers and the Almaty shooter had prior criminal backgrounds. In 2013, Kazakhstan adopted a five-year state program on fighting religious "extremism" and terrorism. This program is not the equivalent of a national CVE strategy, and the program relies heavily on the government-affiliated Spiritual Association of Muslims in Kazakhstan (SAMK) to promote "traditional Islam."

The government's CVE initiatives focus on preventing radicalization, with efforts to educate and provide alternatives to youth through social programs and economic opportunities. Initiatives to build rule of law and civil society are lacking, although the government funds several CVE-focused non-governmental organizations (NGOs). In 2016, the newly-created Ministry of Religious and Civil Society Affairs was drafting a concept paper on how the government will engage civil society to counter "extremist ideologies." The Minister of Religious and Civil Society Affairs told a panel of religious experts that partnerships between civil society and government are the best approach to counter extremist ideologies. Religious experts from the Committee for Religious Affairs (CRA) and in regional offices were directed to reach out to at-risk youth directly. The government and NGOs continued rehabilitation and reintegration work with individuals convicted of extremism-related offenses and their relatives, although the results of the nascent programs were still unclear. The government focused prevention efforts on detainment and prosecution of recruiters, and proselytizers sharing "extremist" ideas. Most convicted recruiters were placed in general-regime penal colonies for three to six years.

There does not appear to be a national counter-violent extremism messaging program, although religious leaders reached out to youth via websites such as E-Islam. Religious experts created groups on social networks such as Facebook and VKontakte, where they posted information and answered user questions about religious "extremism." CRA officials provided training for local imams, NGOs, and media. In addition, the government began a billboard advertising campaign warning Kazakhstanis not to become "pawns" of ISIS.

Regional and International Cooperation: The prosecutor general's office and the CRA cooperate with the Organization for Security and Cooperation in Europe on countering violent extremism and terrorism through workshops.

Kazakhstan participates in counterterrorism activities within the Collective Security Treaty Organization, which has established a joint task force for preventing the propagation of terrorist and "extremist" ideas online. Kazakhstan is a member of the Community of Independent States' (CIS) Anti-Terrorism Center, which hosts a data bank of banned terrorist and extremist organizations accessible to law enforcement and financial intelligence bodies of the member states.

According to press sources, President Nazarbayev and Kazakhstani officials discussed counterterrorism cooperation with numerous partners, including China, Japan, Russia, Turkey,

and others, although there was little publicly available information about the specific aspects of this cooperation.

KYRGYZ REPUBLIC

Overview: The Kyrgyz Republic's counterterrorism strategy continued to focus on rooting out existing violent extremists, countering the spread of violent extremism, limiting the flow of Kyrgyz national foreign terrorist fighters, and preventing those returning from conflicts abroad from engaging in terrorist activities. While the Kyrgyz Republic is seriously concerned about ISIS and other regional terrorism threats, it has not contributed to Global Coalition to Defeat ISIS efforts, due largely to a lack of resources. The Kyrgyz Republic also has not provided assistance to U.S. counterterrorism operations, although it has continued to cooperate with the United States on counterterrorism and countering violent extremism (CVE) efforts via a number of exchanges, trainings, and programs. The Kyrgyz Republic actively participated in the C5+1 regional cooperation framework between the United States and the Central Asian countries (Kazakhstan, Kyrgyz Republic, Tajikistan, Turkmenistan, and Uzbekistan), which includes a program related to CVE.

While terrorist attacks remained rare, the August 30 suicide bombing against the Chinese Embassy in Bishkek, the discovery of improvised explosive devices (IEDs) in the capital, and multiple reports of "extremist"-related arrests, underscore the ongoing terrorist threat facing the Kyrgyz Republic. The Kyrgyz State Committee for National Security (GKNB) and Ministry of Internal Affairs (MVD) conducted dozens of raids targeting individuals suspected of affiliation with banned "extremist" groups or recruitment activities. The government restricts public information on national security issues, making it difficult to assess the efficacy of its counterterrorism operations and the wider extent of the threat.

The Kyrgyz Republic remained vulnerable to transnational threats, especially in the remote south, where boundary issues with Tajikistan and Uzbekistan and porous borders could facilitate the establishment of terrorist safe havens. People and illicit goods continued to move relatively freely into and out of the country. According to GKNB statistics, approximately 600 Kyrgyz citizens, including 100 women, have left the country to join ISIS or other terrorist groups. Most experts believe the true number is higher. According to government estimates, approximately 70 percent of Kyrgyz citizens fighting in Iraq and Syria are ethnic Uzbeks.

2016 Terrorist Incidents: There was one confirmed terrorist incident in the Kyrgyz Republic in 2016. On August 30 a suicide bomber detonated a vehicle-borne improvised explosive device inside the compound of the Chinese Embassy in Bishkek. The blast reportedly injured three local embassy employees and caused considerable damage to the facility. According to media reports, the bomber was the only person killed. The GKNB claimed the bombing was carried out by an ethnic Uighur and organized by Syria-based groups affiliated with al-Nusrah Front. Six Kyrgyz citizens, four of whom are ethnic Uzbeks, were arrested in connection with the bombing. The GKNB said that four other ethnic Uzbek Kyrgyz citizens involved in planning the attack remained at large in Turkey or Syria at year's end.

Legislation, Law Enforcement, and Border Security: The Kyrgyz Republic has two primary laws that govern counterterrorism operations. The "Law on Countering Terroristic Acts," defines terrorism and provides the MVD and GKNB the authority to identify terrorist threats and prevent attacks. The "Law on Countering Money Laundering," addresses terrorist financing. Kyrgyz law criminalizes activities that support terrorism, extremism, and radicalization if the activities threaten public security, recruit individuals, or include children and has specific provisions targeted at foreign terrorist fighters. In August, the president signed into law an amendment that allows deprivation of citizenship for Kyrgyz citizens convicted of receiving terrorist training abroad and/or participating in armed conflict abroad. The government also added two new counterterrorism articles to the criminal code. One article criminalized taking under-aged children to conflict zones; the other criminalized public endorsement of "extremist" activity, which now carries a maximum three-year prison sentence. There were no reports in 2016 of the government using counterterrorism laws to prosecute political opponents.

The MVD 10th Department and the GKNB are the lead counterterrorism agencies in the Kyrgyz Republic. The GKNB-led Counterterrorism Center has demonstrated the ability to quickly react to bomb scares or other potential terrorist threats, but overall, Kyrgyz security services face capacity issues, are overly bureaucratic, and struggle with corruption, thus limiting their capacity to counter threats. The government does not maintain a terrorist screening watch list or have biographic or biometric screening capabilities at ports of entry. Information sharing with other countries occurs rarely and usually only by request in the context of corruption or organized crime investigations. The government does not collect advance passenger records on commercial flights.

There were reportedly dozens of counterterrorism operations in the Kyrgyz Republic in 2016. Most were small operations that resulted in arrests of suspected extremists due to their possession of "extremist" materials. There were at least 10 significant operations targeting suspected terrorists, however. These operations reportedly resulted in the arrest of 17 terrorist suspects, including four foreigners, and the death of one suspect. At least seven of the detained men reportedly received terrorist training abroad. In five of the operations, law enforcement agencies seized firearms, ammunition, bomb-making materials, grenades, and IEDs. The GKNB claimed that at least three of these operations disrupted planned terrorist attacks. On September 20, the GKNB control-detonated two IEDs near a shop in Bishkek. It was not clear if this incident was linked to terrorist or criminal activity.

Impediments to more effective Kyrgyz law enforcement activity against terrorism included interagency rivalries, a lack of coordination between the GKNB and MVD, and budgetary constraints. Inefficient Soviet-era bureaucratic structures, corruption, low salaries, and frequent personnel turnover also hampered law enforcement efforts. Counterterrorist police units were still largely untested in real-life situations.

Kyrgyz law enforcement continued to participate in the Department of State's Antiterrorism Assistance program, receiving capacity-building training in border security and other counterterrorism-related skill sets.

Countering the Financing of Terrorism: The Kyrgyz Republic is a member of the Eurasian Group on Combating Money Laundering and Financing of Terrorism, a Financial Action Task Force (FATF)-style regional body. The State Financial Intelligence Service, the country's financial intelligence unit, is a member of the Egmont Group of Financial Intelligence Units.

The government passed an amendment to the country's anti-money laundering/countering the financing of terrorism law in August 2016 that criminalizes the financing of terrorism and imposes stricter sanctions against those committing terrorism-related offenses in accordance with international standards. The Kyrgyz Republic also follows most international financial industry requirements related to monitoring and regulating money transfers, and in 2016 the government signed more than eight international cooperation agreements on exchanging information on money laundering and terrorist financing.

The Kyrgyz Commission on Combating Financing of Terrorism (CFT) was largely inactive in 2016. While the Kyrgyz Republic has adopted regulations to implement UN Security Council resolution 1373 and the UN Security Council ISIL (Da'esh) and al-Qa'ida sanctions regime, mechanisms for effective implementation of these resolutions have not been fully established. There were no reports in 2016 indicating that the government pursued any terrorist finance cases, or identified or froze any terrorist assets. The Kyrgyz government's CFT efforts are hampered by multiple factors, including but not limited to, resource constraints, underdeveloped procedures for investigation and enforcement, and lack of interagency cooperation and information sharing.

For further information on money laundering and financial crimes, see the *2017 International Narcotics Control Strategy Report (INCSR), Volume II, Money Laundering and Financial Crimes*: http://www.state.gov/j/inl/rls/nrcrpt/index.htm.

Countering Violent Extremism: The Kyrgyz Republic continued to make public statements in 2016 recognizing the need to counter violent extremism. In December, the vice prime minister for law enforcement and border security convened an interagency meeting to begin work on a government-wide CVE program. The government also launched several new CVE-relevant programs, including:

- The opening of a new religious-issues information/consultation center and hotline to help prevent radicalization. The center is staffed by specialists in theology, psychology, and law, who can answer questions or otherwise discuss religious issues with Kyrgyz citizens.
- Authorization for the creation of a standard methodology to determine if religious material confiscated during law enforcement operations constitutes "extremist" material. This methodology will be utilized by a team of theologians, linguists, and legal experts working within the Ministry of Justice.
- Passage of a law in April that requires prisons to separate those convicted of terrorism and extremism from the general prison population to deter recruitment in Kyrgyz penitentiaries.

The government expressed concern about the growing level of religiosity in the country combined with a lack of educated religious leaders. Government officials and local experts

stated that this combination creates a vacuum that is being filled by online imams and other online resources that propagate violent extremism and/or recruit for violent extremist groups. The government maintained that most Kyrgyz are radicalized outside the country. According to government officials and local experts, significant drivers of violent extremism included:

- Lack of economic opportunities, which force a large portion of the population to seek employment opportunities in Russia, where they are particularly susceptible to recruitment.
- Grievances associated with a sense of injustice among and discrimination against ethnic minorities, particularly ethnic Uzbeks.

The non-governmental organization (NGO) and donor community has published research on drivers of violent extremism in the region, and to a lesser extent within the Kyrgyz Republic. Public statements of government officials on CVE are generally consistent with the existing body of Kyrgyz-specific CVE research.

The Ministry of Education, in cooperation with the State Committee for Religious Affairs (SCRA), is developing a new curriculum for high school-aged students on "moderate" Islam and identifying terrorist recruitment tactics. The government is also working with SCRA and Muslim leaders to develop a new national religious strategy which includes CVE measures. In 2016, the government worked with the Organization for Security and Cooperation in Europe and other international organizations and foreign governments, including the United States, to facilitate CVE training and other CVE-relevant assistance programs. The government typically does not discourage or interfere with non-governmental programs that work with religious communities at risk of radicalism.

The Kyrgyz Republic lacked an effective rehabilitation and reintegration program for the general prison population, much less for those convicted of terrorism or extremism-related crimes. The government has acknowledged a need for such a program, but the primary effort on penal reform to date appears to be plans for the segregation, rather than rehabilitation, of violent extremists. The UN Office on Drugs and Crime is working with the Ministry of Justice to incorporate CVE elements into planned penal reforms.

The GKNB continued its public awareness campaign in the Kyrgyz language press to discredit the efforts of ISIS recruiters. The MVD, together with local religious leaders in the south, conducted meetings with schoolchildren and their parents to explain terrorist recruitment tactics and the legal consequences for foreign terrorist fighters from the Kyrgyz Republic if they choose to return. NGOs, the donor community, and foreign governments carried out multiple programs aimed at counter-messaging, including youth-generated messaging and training for journalists on how to effectively report on violent extremism. The Kyrgyz government was involved in several of these programs.

Regional and International Cooperation: The Kyrgyz government continued to seek training and technical assistance from international organizations and foreign governments to bolster its capacity to prevent domestic terrorist attacks. In 2016, the Kyrgyz Republic participated in counterterrorism activities and trainings organized by the Organization for Security and

Cooperation in Europe, the North Atlantic Treaty Organization, the Commonwealth of Independent States Antiterrorism Center, Shanghai Cooperation Organization (SCO) Antiterrorism Center, and the Collective Security Treaty Organization (CSTO). The Kyrgyz Republic also participated in five CSTO and two SCO counterterrorism military exercises in 2016, two of which were held in the Kyrgyz Republic.

Due primarily to resource constraints, the Kyrgyz Republic does not typically support international or multilateral efforts to prevent or counter violent extremism. The Kyrgyz Republic routinely signs bilateral agreements with international partners as part of high level visits. The agreements frequently include general statements on cooperation on counterterrorism but there is seldom any resulting implementation outside of the examples listed above.

MALDIVES

Overview: Since 2010, concerns about the activities of a small number of extremists who support violence and are involved with transnational terrorist groups have increased. Young Maldivians, especially those within the penal system and otherwise marginalized members of society, are at risk of becoming radicalized and some have already joined terrorist groups. According to reporting in the Maldivian media, radical Maldivians have made connections to terrorist groups throughout the world and a small but steady stream of Maldivians have left the country to train and fight with these groups. In June, Defense Minister Adam Shareef Umar told the press approximately 50 radicalized Maldivians were fighting with terrorist organizations in Syria. The United Nations and other media reports estimated the number of Maldivians becoming foreign terrorist fighters at approximately 200. In February 2016, a family of 12 that had allegedly gone missing in India was confirmed to be in Syria.

The prosecutor general's office reported three cases of arrests for participating in a war abroad. In February, authorities arrested three Maldivian men at the Turkey-Syria border and returned them to Maldives, where they were charged with attempting to travel to Syria to fight with terrorist groups. No action was taken against a fourth man who failed in his attempt to travel to Syria. In June, Maldivian authorities said three Maldivians traveled to Syria despite having been placed on a government watchlist. Another case submitted in December is against a man who was arrested and charged with participating in a war in Pakistan. These incidents illustrated the continuing pattern of Maldivian nationals having the intent of becoming foreign terrorist fighters transiting through third countries.

Legislation, Law Enforcement, and Border Security: The 2015 Prevention of Terrorism Act (PTA) defined acts of terrorism and set forth penalties of between seven to 25 years imprisonment for those convicted of these acts or inciting others to do so. The PTA's other provisions criminalized committing terrorist acts or joining or fighting in a conflict abroad; granted the government permission to suspend certain constitutionally guaranteed rights for persons "detained or arrested on suspicion" of committing acts of terrorism; established legal procedures for handling terrorism-related cases; and granted permission for the issuance of a monitoring and control order by court order upon reasonable suspicion, which was defined as the "Minister's belief based on logical or reasonable evidence or reasoning that one or many of the acts transpired or may occur." A monitoring and control order permitted the government to

determine a suspect's place of residence; search him/her and his/her residence; disclose, inspect, and seize a suspect's assets; monitor his/her telecommunications; and impose a travel ban. The PTA had originally required the president to publicly release a list of designated terrorist groups, but the parliament amended the provision in March to allow the list to remain secret. The government continued to use the PTA to arrest and prosecute political opponents and restrict political and media activity unrelated to terrorism.

Maldives continued to participate in the Department of State's Antiterrorism Assistance program, which provided trainings on fraudulent document recognition, protecting soft targets, and airport security management. Numerous other western countries provided training in a variety of aspects of police work related to counterterrorism, including a table top exercise on soft targets. The leadership of the Maldivian Police Service (MPS) recognized the need for improvement and made requests for assistance to bring its abilities up to international standards.

Maldives established a National Counterterrorism Center (NCTC) in 2016 with the mandate to coordinate interagency efforts on counterterrorism and to liaise with international security partners. The NCTC was led by the Maldivian National Defense Force (MNDF) with participation from the MPS, customs and border protection, immigration, and other agencies. Responsibility for counterterrorism efforts was divided among the MPS and MNDF, the latter of which has navy, marines, and coast guard branches. In 2016, information sharing among the agencies was limited.

The Maldivian government has installed the Personal Identification Secure Comparison and Evaluation System (PISCES) at Maldives' main international airport and at Male seaport, and in December agreed to an upgrade of the system. In an effort to stem the number of Maldivians traveling to Iraq and Syria to join terrorist groups, the MPS began randomly questioning Maldivian citizens traveling by air to Turkey.

Maldivian officials worked with U.S. government personnel to develop and implement programs designed to counter radicalization, improve counterterrorism capability, and enhance the operational effectiveness of the MNDF.

The prosecutor general's office reported approximately 21 people were charged in 2016 under the Counterterrorism Act.

Countering the Financing of Terrorism: Maldives is a member of the Asia/Pacific Group on Money Laundering, a Financial Action Task Force (FATF)-style regional body. In 2016, the Maldives Monetary Authority (MMA), the country's central bank, suspected that funds were being raised domestically to support terrorism abroad since a large percentage of suspicious transaction reports received by the MMA were connected to Maldivian citizens. It reported that funds were transferred through informal money transfer networks (*hawala*) between the islands, although the extent to which these systems were employed to transfer illicit funds was unclear. The MMA also lacked reliable information regarding amounts involved.

In June, Maldives passed the Prevention of Money Laundering and Terrorist Financing Act, which criminalized money laundering and terrorist financing. Maldives prosecuted no cases

under the Act in 2016, but the Maldivian prosecutor general's office was confident the law would enable police and prosecutors to better identify links between suspected terrorists and their finance networks based upon the very wide investigatory powers authorized by the Act.

The Maldivian government monitored banks, the insurance sector, money remittance institutions and finance companies, and required the collection of data for wire transfers. Financial institutions other than banks and intermediaries in the securities sector, however, were not subject to anti-money laundering/countering the financing of terrorism (AML/CFT) obligations. Insurance companies and intermediaries, finance companies, money remittance service providers, foreign exchange businesses, and credit card companies therefore operated outside of the AML/CFT framework. The MMA had earlier established a financial intelligence unit, the Capital Market Development Authority, which lacked the technical capacity to analyze vast amounts of new data on financial transactions. In 2016, a former manager at the Bank of Maldives presented evidence that indicated state institutions were allegedly being used in money laundering.

The Maldivian government implemented the UN Security Council ISIL (Da'esh) and al-Qa'ida sanctions regime, and monitored and regulated alternative remittance services. The Maldivian government did not report any efforts to seize terrorist assets in 2016.

For further information on money laundering and financial crimes, see the *2017 International Narcotics Control Strategy Report (INCSR), Volume II, Money Laundering and Financial Crimes*: http://www.state.gov/j/inl/rls/nrcrpt/index.htm.

Countering Violent Extremism: The Maldivian government continued to recognize that counterradicalization to violence efforts are a critical component to long-term success against violent extremism. Since 2011, the government has sought to counter the influence of violent extremist ideology by actively intervening in religious life. These interventions included mandating persons wanting to serve as imams to undergo a six-month state-approved training and disseminating government-approved sermons, which the imams were required to use for Friday prayers. Media sources reported incidents where the government has not taken action to investigate those spreading violent extremist ideology. In September, a group of masked men distributed materials that urged Maldivians to commit violence after a mass Eid prayer at the Maafanu stadium in Male.

A government-sponsored Islamic university in the capital city of Male opened in the last quarter of 2015 and in 2016 held several workshops for "moderate" Islamic scholars. The university's goal was to promote the academic study of religion and "moderate Islam" as a counterweight to extremist discourses and messaging. The Ministry of Islamic Affairs held seminars for student groups and a religious dialogue on the topic of jihad. An Indian university signed an agreement with the Maldivian Defense Ministry to conduct counterterrorism and extremism awareness training. In cooperation with an NGO, DoD personnel implemented the second phase of a de-radicalization program in conjunction with the Government of Maldives for individuals vulnerable to extremist recruitment. The program included vocational training programs designed to increase future employment opportunities.

Regional and International Cooperation: Maldives is a member of the South Asian Association for Regional Cooperation (SAARC) and is a party to the SAARC regional convention on the suppression of terrorism.

In 2016, India signed a defense cooperation plan with Maldives, which includes setting up a bilateral counterterrorism mechanism with intelligence sharing. In October, the U.S. National Counterterrorism Center, in association with the United Nations and the Maldives Association of Tourism Industry, hosted an international symposium on countering terrorism and violent extremism. Experts from India, Indonesia, Malaysia, Singapore, Sri Lanka, and the United States attended the event and shared best practices.

The MNDF was a member of the Global Special Operations Force network, which collaborates on common security challenges and actively supports multilateral and regional security cooperation efforts, such as global programs that focus on counterterrorism and de-radicalization.

NEPAL

Overview: Throughout 2016, domestic political unrest continued to plague Nepal as members of Madhesi groups from the country's southern Terai area agitated for amendments to the constitution promulgated in September 2015. While the protests were mainly peaceful, agitators sometimes employed violent tactics. Ten years after the 1996-2006 Maoist insurgency, most Maoist factions have joined the legitimate political process, and the Communist Party of Nepal-Maoist Center leads the Nepali government as of late 2016. But some participants of the former Maoist insurgency remained outside of the political process and occasionally used violence or threats to meet their objectives. Neither the ethnic protestors in the Terai nor the Maoist splinter groups have any known links to international terrorist groups.

2016 Terrorist Incidents: In June, a splinter Maoist group led by Netra Bikram Chand, also known as the Biplav group, used crude incendiary devices to destroy cell phone towers in several districts and to attack offices of two international non-governmental organizations (NGOs) in Sindhupalchowk and Nuwakot districts. In September, another Maoist splinter group was suspected of planting crude improvised explosive devices at a number of schools in the Kathmandu Valley.

Legislation, Law Enforcement, and Border Security: Nepal lacks a law specifically criminalizing terrorism or the provision of material support to terrorist networks. If an act of terrorism were to take place, Nepali courts would likely prosecute the perpetrators on the basis of laws pertaining to its constituent crimes, e.g. murder, arson, etc. Most Nepali officials view Nepal as at low-risk for an international terrorist incident. Accordingly, there is little impetus to introduce new laws.

A serious international terrorist event inside Nepal targeting foreigners would pose new and serious challenges for the Nepal Police and the justice sector and would strain the country's investigative and judicial capacities. Under the current legal regime, a terrorist attack would likely be charged under its constituent crimes, such as murder or arson, while Nepal's

anti-money laundering statute would encompass financial support for the offense. Nepal has limited experience with countering and investigating transnational crime, performing formal mutual legal assistance, and handling extradition requests. The country's ability to process modern forms of evidence (e.g., cyber, DNA, explosives) to international standards is also limited, but it is poised to expand with the Nepal Police Special Bureau's establishment of a cybercrime investigation unit and the Nepal Police Criminal Investigation Division's inauguration of a digital forensics lab in December 2015. Nepali law enforcement agencies have demonstrated interest in receiving outside technical assistance and training. Nepal cooperates with other South Asian countries when they request assistance in investigating suspected terrorists, mainly through identification and tracking.

While Nepal has specialized units to investigate and respond to terrorist incidents (Nepal Police Special Bureau), law enforcement units have limited capacity to effectively detect, deter, or identify terrorist suspects. An open border with India and relatively weak airport security present vulnerabilities.

Kathmandu's Tribhuvan International Airport lacks state of the art baggage screening technology and relies on physical pat-downs and metal detectors for passenger screening. Weak controls restricting access of airport employees are present throughout the facility, and initial and recurrent background checks on employees may not be rigorous.

Nepali police officers participated in the Department of State's Antiterrorism Assistance (ATA) program. In 2016, the ATA program funded five training courses to improve counterterrorism capabilities within Nepali law enforcement agencies. More than 100 Nepali officers attended the 2016 ATA courses, which included: terrorism public awareness training consultation; hospital based management of mass casualty incidents; management of terrorist investigations training; fraudulent document recognition-behavioral analysis train-the-trainer; and best counterterrorism practices-community policing training.

Countering the Financing of Terrorism: Nepal belongs to the Asia Pacific Group on Money Laundering, a Financial Action Task Force (FATF)-style regional body. While the Government of Nepal has made progress in constructing an anti-money laundering/countering the financing of terrorism (AML/CFT) regime, additional work is required to develop expertise in financial crimes investigations, case management, interagency and departmental coordination, and border control. In 2014, Nepal enacted implementing regulations to address key deficiencies in its AML/CFT regime, including the seizing, freezing, and confiscation of terrorist assets, to comply with UN Security Council resolution (UNSCR) 1373 and the UN Security Council ISIL (Da'esh) and al-Qa'ida sanctions regime. Nepal is taking steps to bring its legislation into compliance with international standards, but corruption, a large and open border, limited financial sector regulations, a large informal economy, and a lack of resources and capacity continued to hamper efforts to counter illicit financial flows.

Nepal's financial intelligence unit, the Financial Information Unit (FIU-Nepal) is a member of the Egmont Financial Group of Intelligence Units. In 2014 it adopted AML/CFT software that can store suspicious financial transactions data, but the software was not fully operational by the end of 2016 due to a lack of compatible software among reporting entities to electronically

submit data. Instead, reporting entities continued to submit hard copy reports to the FIU-Nepal. Additionally, key parts of the Nepali government responsible for AML/CFT lacked the ability to share data electronically. Cooperation and information sharing among government agencies remained a key obstacle to more effective AML/CFT efforts.

Nepali law criminalizes terrorist financing for any purpose, including through money laundering and financial transactions related to terrorism. The FIU-Nepal and the Department of Money Laundering Investigations (DMLI) lacked expertise, access to data, and other resources, however. During 2016, the DMLI and the Department of Revenue Investigation did not have any open investigations for suspected terrorist financing. There were no instances in 2016 of the government freezing or seizing assets for counterterrorism reasons.

The Nepal Rastra Bank (NRB), the central bank of Nepal, licenses and monitors money services businesses (MSBs) that receive remittances. MSBs in Nepal may receive inbound remittances, but funds must be distributed to recipients through banks, which are required to collect data on the originator. The government has limited ability to determine whether the source of money sent as remittances from abroad is licit or illicit, and has difficulty investigating informal money transfer systems such as *hundi* and *hawala* because the normally small nature of their businesses makes them hard to detect.

The NRB's FIU-Nepal directives do not cover non-profit organizations unless specific information indicates that they are involved in money laundering or terrorist financing. Only commercial banks are required to submit suspicious transaction reports (STRs). NGOs must register with the Social Welfare Council and obtain permission from the Ministry of Finance to receive donations. The government lacks information on how many NGOs comply with this regulation.

Officials have identified trade-based money laundering, specifically the use of under- and over-invoicing by businesses as a major source of money laundering. Nepal's open border with India and inadequate security screening at border entry points make it difficult to detect the smuggling of currency, gold, and counterfeit notes, all of which are potential sources of funding terrorism.

For further information on money laundering and financial crimes, we refer you to the *2017 International Narcotics Control Strategy Report (INCSR), Volume II, Money Laundering and Financial Crimes*: http://www.state.gov/j/inl/rls/nrcrpt/index.htm.

Countering Violent Extremism: The Government of Nepal generally does not view violent extremism, specifically the violent extremist ideology originating from conflict and instability in the Middle East, as a significant threat to Nepal. There were no government strategic communications programs to counter violent extremist ideology, nor were there government or civil society programs in Nepal to counter terrorist recruitment or rehabilitate former violent extremists.

International and Regional Cooperation: Nepal is a signatory of the South Asian Association for Regional Cooperation Regional Convention on Suppression of Terrorism.

PAKISTAN

Overview: Pakistan remained an important counterterrorism partner in 2016. Violent extremist groups targeted civilians, officials, and religious minorities. Major terrorist groups focused on conducting terrorist attacks in Pakistan included the Tehrik-e Taliban Pakistan (TTP), Jamaat-ul-Ahrar (JuA), and the sectarian group Lashkar-e-Jhangvi (LeJ). Islamic State's Khorasan Province (ISIS-K) claimed several major attacks against Pakistani targets, likely conducted in collaboration with other terrorist groups. Groups located in Pakistan, but focused on conducting attacks outside the country, included the Afghan Taliban, the Haqqani Network (HQN), Lashkar e-Tayyiba (LeT), and Jaish-e-Mohammad (JeM).

The number of terrorism-related civilian deaths in 2016 was approximately 600, far lower than the peak years of 2012 and 2013, when terrorist acts killed more than 3,000 civilians each year (according the South Asia Terrorism Portal). Terrorists used a range of tactics – stationary and vehicle-borne improvised explosive devices (IEDs), suicide bombings, targeted assassinations, and rocket-propelled grenades – to attack individuals, schools, markets, government institutions, and places of worship. The Pakistani government continued to implement the national action plan against terrorism with uneven results. Progress remained slow on regulating madrassas, blocking extremist messaging, empowering the National Counter Terrorism Authority (NACTA), cutting off terrorist financing, and strengthening the judicial system. Despite its extensive security infrastructure, the country suffered major attacks, particularly in Balochistan.

The Pakistani military continued operations in Khyber and North Waziristan to eliminate anti-state militants. Security forces in urban areas, including the paramilitary Sindh Rangers in Karachi, arrested suspected terrorists and interrupted plots. In the aftermath of a high-profile terrorist attack at a Lahore park, the Rangers were also called temporarily into southern Punjab for law enforcement operations against militant groups. Many commentators credited the military operations for the reduced number of terrorism-related civilian deaths in Pakistan.

The Pakistan government supported political reconciliation between the Afghan government and the Afghan Taliban, but failed to take significant action to constrain the ability of the Afghan Taliban and HQN to operate from Pakistan-based safe havens and threaten U.S. and Afghan forces in Afghanistan. The government did not take any significant action against LeT or JeM, other than implementing an ongoing ban against media coverage of their activities. LeT and JeM continued to hold rallies, raise money, recruit, and train in Pakistan.

The Pakistan government has not joined the Global Coalition to Defeat ISIS, although it designated ISIS as a terrorist organization in 2015. Police and security forces detained and killed a substantial number of ISIS-affiliated terrorists.

2016 Terrorist Incidents: There were numerous terrorist attacks throughout Pakistan in 2016. The following list includes the incidents with the largest number of casualties.

- On March 27, a suicide bomber killed at least 74 people at Gulshan-e-Iqbal Park in Lahore. JuA claimed responsibility for the attack.
- On August 8, a bomb killed at least 70 people at a hospital in Quetta where lawyers had gathered to mourn the assassination of a prominent lawyer. JuA and ISIS-K separately claimed responsibility for the attack.
- On September 16, a suicide bomber killed at least 36 people at a mosque during Friday prayers in the Mohmand Tribal District. JuA claimed responsibility for the attack.
- On October 24, three militants stormed a police training center in Quetta and killed at least 60 people with gunfire and suicide vests. A LeJ affiliate and ISIS-K claimed responsibility for the attack.
- On November 12, a suicide bomber killed more than 50 people at the shrine of Sufi saint Shah Bilal Noorani in Balochistan. A LeJ affiliate and ISIS-K claimed responsibility for the attack.

Legislation, Law Enforcement, and Border Security: The Government of Pakistan continued to implement the Antiterrorism Act (ATA) of 1997, the National Counterterrorism Authority Act, the 2014 Investigation for Fair Trial Act, and 2014 amendments to the ATA, all of which allow enhanced law enforcement and prosecutorial powers for terrorism cases. Special courts under the ATA hear terrorism cases. The law allows preventive detention against suspects.

Under the 21st amendment to the Pakistani Constitution, passed in January 2015, military courts were empowered to hear terrorism cases through 2016. The government reinstated the death penalty for terrorism offenses after the Peshawar school attack in 2014. In August 2016, the Pakistani Supreme Court rejected an appeal and approved 16 death sentences for terrorism handed down by a military court, the first ruling by the Supreme Court that addressed capital sentences by military courts.

Military, paramilitary, and civilian security forces conducted counterterrorism operations throughout Pakistan. The NACTA received a significant budget in July. The Intelligence Bureau has nationwide jurisdiction and is empowered to coordinate with provincial counterterrorism departments. The Ministry of Interior has more than 10 law enforcement-related entities under its administration, although some are under the operational control of the military. Each province has a counterterrorism department within its police force.

While the counterterrorism and anti-crime operations of the paramilitary Rangers in Karachi led to reduced levels of violence in the city, the media published allegations that the Rangers also targeted certain political parties for political reasons. The Sindh provincial government agreed to extend the mandate of the paramilitary Rangers for counterterrorism and anti-crime operations for 90 days on October 17.

The Punjab Counterterrorism Department raided a religious minority Ahmadi organization in Rabwah on December 5, ostensibly acting under counterterrorism laws against hate speech.

The Federal Investigation Agency (FIA) is responsible for border control at airports, seaports, and some land crossings. The paramilitary Rangers are responsible for border patrol in Punjab and Sindh, while the Frontier Corps do so in Khyber Pakhtunkhwa, the Federally Administered

Tribal Areas, and Balochistan, with the help of provincial police and tribal militias. Pakistan collects biometric information at land crossings with its International Border Management Security System. Authorities had limited ability to detect smuggling via air travel. The Federal Board of Revenue's Customs Service attempted to enforce anti-money laundering laws and foreign exchange regulations at all major airports, in coordination with the Airport Security Force and the FIA. Customs' end use verification project managed the entry of dual-use chemicals for legitimate purposes, while attempting to prevent their diversion for use in IEDs.

The continuous military operations in Khyber and North Waziristan eliminated significant numbers of militants and removed safe havens for terrorist groups such as TTP. On September 1, the military's head of public relations announced that more than 300 ISIS members had been arrested and claimed the group's attempt to establish itself in Pakistan had been foiled. However, ISIS's regional affiliate, ISIS-K, claimed subsequent attacks and authorities announced further arrests of suspected ISIS militants. On September 26, NACTA announced it had frozen the bank accounts of 8,400 individuals and was working to revoke their travel documents, based on their inclusion on the Schedule IV list of ATA for suspected ties to terrorism.

On December 5, a military court sentenced Naeem Bukhari to death for "heinous offenses related to terrorism." Bukhari was the alleged planner of the 2002 murder of American journalist Daniel Pearl in Karachi, in addition to many other terrorist acts. However, officials told the media the criminal charges leading to the sentence did not include the Daniel Pearl killing. Law enforcement officials continued to pledge assistance in apprehending U.S. citizen fugitives in Pakistan, but the process was cumbersome, requiring the U.S. Department of Justice to hire private attorneys to work with Pakistani prosecutors to move cases forward.

The trial of seven suspects in the 2008 Mumbai terrorist attack remained stalled, with many witnesses for the prosecution remaining to be called by the court. The lead defendant, alleged LeT operational commander Zaki-ur Rehman Lakhvi, remained free on bail.

Specialized law enforcement units often lacked the equipment and training needed to implement the enhanced investigative powers provided by counterterrorism legislation. Interagency information sharing was sporadic with no integrated database capability. NACTA did not make significant progress in operationalizing the Joint Intelligence Directorate, intended to coordinate civilian and military counterterrorism information sharing. ATA courts moved slowly in processing terrorism cases due to the overly broad definition of terrorism offenses in the ATA. Some ATA courts attempted to transfer cases that were not terrorism-related back to the regular courts. Prosecutors had a limited role during the investigation of terrorism cases, and jurisdictional divisions among military and civilian security agencies hampered investigations and prosecutions, which sometimes also lacked sufficient evidence. Terrorist groups intimidated witnesses, police, victims, prosecutors, defense lawyers, and judges. All of these factors contributed to high acquittal rates in ATA courts.

The Department of State carried out some counterterrorism training in Pakistan, but had to conduct certain programs in third countries due to the government's non-issuance of visas for

trainers. In September, the Ministry of Interior cancelled all training inside Pakistan under the State Department's Anti-Terrorism Assistance program.

Countering the Financing of Terrorism: Pakistan is a member of the Asia Pacific Group on Money Laundering, a Financial Action Task Force (FATF)-style regional body. Pakistan criminalizes terrorist financing through the ATA. However, there has not been a significant number of prosecutions or convictions of terrorist financing cases reported by Pakistan in recent years due to a lack of resources and capacity within investigative and judicial bodies.

In 2015, FATF removed Pakistan from its review process due to progress on countering the financing of terrorism (CFT). In October 2016, FATF noted concern among members that Pakistan's outstanding gaps in the implementation of the UN Security Council ISIL (Da'esh) and al-Qa'ida sanctions regime had not been resolved, and that UN-listed entities – including LeT and its branches – were not being effectively prohibited from raising funds in Pakistan. Despite Pakistan's CFT laws, its freezing of several relevant bank accounts from March 2015 to March 2016, and other limited efforts to stem fundraising by LeT, the group and its wings continued to make use of economic resources and raise funds in the country in 2016. Pakistan's ban on media coverage also did not appear to reduce the ability of LeT to collect donations.

Pakistan's national action plan includes efforts to prevent and counter terrorist financing, including by enhancing interagency coordination on CFT. Pakistan's National Terrorists Financing Investigation Cell, operated by the Federal Investigations Agency, Federal Board of Revenue, the State Bank, and intelligence agencies, tracks financial transactions between the national and international banking systems. Additionally, NACTA coordinates with all relevant agencies to counter terrorism and terrorist financing.

The Anti-Money Laundering Act (AMLA) of 2010 designates the use of unlicensed *hundi* and *hawala* systems as predicate offences to terrorism and also requires banks to report suspicious transactions to Pakistan's financial intelligence unit, the State Bank's Financial Monitoring Unit. Although unlicensed *hawala* operators are illegal in Pakistan, these unlicensed money transfer systems persist throughout the country, especially along Pakistan's border with Afghanistan, and were open to abuse by terrorist financiers operating in the cross-border area.

For further information on money laundering and financial crimes, see the *2017 International Narcotics Control Strategy Report (INCSR), Volume II, Money Laundering and Financial Crimes*: http://www.state.gov/j/inl/rls/nrcrpt/index.htm.

Countering Violent Extremism: NACTA held a workshop with non-governmental organization (NGO) participation in July as part of the process of creating a National Counter Extremism Policy and aimed to finalize the policy by early 2017. The Ministry of Information and Broadcasting and the military's public relations wing shaped media messages to build support for the military's counterterrorism initiatives. The government operated de-radicalization camps offering "corrective religious education," vocational training, counseling, and therapy. A Pakistani NGO administered the widely-praised Sabaoon Rehabilitation Center in Swat Valley, which was founded in partnership with the Pakistani military and focused on juvenile violent extremists.

International and Regional Cooperation: Pakistan participated in the South Asian Association for Regional Cooperation meetings on counterterrorism and in other multilateral groups where counterterrorism cooperation was discussed, including the Shanghai Cooperation Organization (as an observer), the Heart of Asia-Istanbul Process, and the Global Counterterrorism Forum. Pakistan participated in UN Security Council meetings on sanctions and counterterrorism.

SRI LANKA

Overview: The 2009 military defeat of the terrorist Liberation Tigers of Tamil Eelam (LTTE) marked the beginning of a new era for the country. The Sri Lankan government maintained a strong military presence in post-conflict areas and continued to voice concern about the possible reemergence of pro-LTTE sympathizers, but the democratically-elected government of President Maithripala Sirisena and Prime Minister Ranil Wickremesinghe emphasized its commitment to seek political reconciliation with the Tamil community, including through talks with the Tamil diaspora.

In January, Defense Secretary Karunasena Hettiarachchi noted reports of approximately 36 Sri Lankans who traveled to Syria, with some joining ISIS, but he asserted ISIS and other terrorist groups were not physically present in Sri Lanka. The Ministry of Defense stated the security forces and intelligence agencies were on full alert against the possibility of ISIS or its affiliates emerging in the country.

The security services' focus on a possible LTTE resurgence and the government's new focus on emerging threats, such as reports of Sri Lankan foreign terrorist fighters joining ISIS and other terrorist groups, led the government to maintain a flexible counterterrorism policy. In 2016, the police recovered two separate stocks of explosives and a suicide kit, leading to the arrest of approximately 25 people, including five former LTTE leaders. In November, Minister of Justice Wijedayasa Rajapakshe announced to parliament that approximately 32 well-educated Sri Lankan Muslims of four families had joined ISIS in Syria. His statement sparked controversy within the Muslim community in Sri Lanka.

Counterterrorism cooperation and training with the United States in 2016 was limited, but the bilateral security and defense relationship continued to grow. An advanced U.S. P-8 maritime patrol aircraft with long-range maritime patrol capabilities conducted an exercise in December with the Sri Lanka Air Force and Navy on safe-guarding the international shipping lanes. This training also enhanced the government's capacity to interdict potential foreign terrorist fighters attempting to transit through the country.

Legislation, Law Enforcement, and Border Security: Counterterrorism legislation in Sri Lanka was historically focused on eliminating the LTTE, although concerns about foreign terrorist fighters increased in 2016. The Government of Sri Lanka continued to use the Prevention of Terrorism Act (PTA), enacted in 1982 as a wartime measure, which gives security forces broad powers to search, arrest, and detain individuals. The government pledged to end the broad application of the PTA and is in the process of drafting a new counterterrorism act (CTA)

to replace the PTA. As part of the drafting process, the government consulted civil society groups and international partners, who criticized early drafts of the CTA as not fully conforming to international standards. At the end of 2016, the government had not yet released a final draft for public comment or presented it as a bill for cabinet approval.

In June, President Sirisena publicly issued a presidential directive to police and security forces setting out appropriate procedures for arrests and detentions under the PTA. The Department of Prisons detained at least 50 prisoners under the PTA without charges, with at least 15 still in custody for over a year.

Sri Lanka's law enforcement capacity was robust and continually improving, and its political leadership has launched a broad modernization effort. Interagency cooperation and information sharing is strong, with specific plans to respond to attacks on some soft targets. Law enforcement leadership recognized the need for improvement and actively sought assistance to raise capacity up to western standards, particularly in modernization of police computer systems and new technology. Leadership eagerly seeks out any opportunity to send officers to specialized training courses. The Special Task Force is an elite special forces unit of the Sri Lanka Police Service specializing in counterterrorism and counter-insurgency operations and a major security arm of the state involved in the security of top government and foreign government officials, protecting sensitive terrorist targets, and suppressing activities that pose a threat to national security.

Border security remained a significant issue for the Sri Lankan government. The Sri Lankan government expanded its partnership with the U.S. Departments of State, Homeland Security, Defense, and Energy on securing its maritime border. The U.S. Coast Guard, under the Department of State's Export Control and Related Border Security program, continued to train Sri Lankan Coast Guard and Navy personnel on border and export control matters, and the Government of Sri Lanka continued to cooperate with U.S. Customs and Border Protection through the vontainer security initiative, megaports, and related initiatives.

Sri Lanka hosted the Eleventh Regional workshop for Judges, Prosecutors, and Police Officers on Effectively Countering Terrorism in South Asia in October. Sri Lankan law enforcement, border security, and customs officials participated in the event, and judicial personnel attended a special session on counterterrorism legislation.

The Government of Sri Lanka continued to collaborate with the European Union Immigration Department on an advanced passenger information system, which transmits passenger information to Sri Lankan immigration officials upon arrival. The data generated from these collection systems will be significant assets to the Sri Lankan government in its efforts to control and counter illegal migration. The Department of Immigration and Emigration, with technical support of the International Organization for Migration, and funding from the Australian Department of Immigration and Border Protection, completed implementation of a 2015 initiative to capture biometric data from all new passport applicants.

In November, Sri Lanka removed the ban on an additional 69 individuals previously on the terrorism watch list that had been established by the Rajapaksa-led government and criticized by

civil society for being excessively broad in scope. Eight organizations and 86 individuals remained on the list at the end of 2016.

Countering the Financing of Terrorism: Sri Lanka belongs to the Asia Pacific Group on Money Laundering (APG), a Financial Action Task Force-style regional body. Sri Lanka's Financial Intelligence Unit (FIU) is a member of the Egmont Group of Financial Intelligence Units. Although it is neither an important regional financial center nor a preferred center for money laundering, Sri Lanka remains vulnerable to money laundering and terrorist financing. Key contributing factors included a lack of transparent tender mechanisms in government projects, history of terrorist activity, tax evasion, and a large informal economy. Sri Lanka's risks also involve cross-border illicit flows because of its geographic location.

Sri Lanka has criminalized terrorist financing in accordance with international standards. The Central Bank amended customer due diligence (CDD) regulations in 2016 to address gaps identified by a recent APG evaluation.

A substantial overseas workforce, primarily in the Middle East, sends remittances back to Sri Lanka, and the CDD regulations passed in 2016 began regulating money transfer services. Although anti-money laundering/countering the financing of terrorism laws cover non-financial entities such as real estate agents, jewelers, and dealers in precious metal, no regulator has issued "know your customer" policies covering these institutions. Sri Lanka has not yet issued regulations to cover non-profit organizations.

In 2016, the FIU signed agreements with Sri Lanka customs, the Department of Inland Revenue, and the Department of Immigration and Emigration to facilitate investigations and prosecutions on money laundering and terrorist financing.

For further information on money laundering and financial crimes, see the *2017 International Narcotics Control Strategy Report (INCSR), Volume II, Money Laundering and Financial Crimes*: http://www.state.gov/j/inl/rls/nrcrpt/index.htm.

Countering Violent Extremism: Sri Lanka continued to operate a one-year long rehabilitation program for former alleged LTTE combatants, participation in which was mandatory for a majority of the prisoners formerly held under the PTA who were released on bail. The former Rajapaksa government estimated it rehabilitated approximately 12,000 former LTTE cadres during its tenure. The number of persons undergoing this program has dropped dramatically in recent years, including in 2016. The De-Mining group DASH (Delvon Association for Social Harmony) employs both former Army soldiers and former Tamil fighters and widows to work side by side in de-mining teams. Limited access by independent bodies to known rehabilitation camps precluded reliable evaluations of the government's efforts.

International and Regional Cooperation: Sri Lanka continued to cooperate with a number of donor countries, including the United States, to improve its land and maritime border security. Sri Lanka is a partner nation in the Global Initiative to Combat Nuclear Terrorism and is a signatory of the South Asian Association for Regional Cooperation's Regional Convention on

Suppression of Terrorism. Government officials have expressed interest in continuing to increase Sri Lanka's regional cooperation on counterterrorism.

International donors continued to fund reconciliation programs in Sri Lanka in 2016, including $1.7 million from the United States, to facilitate interaction among and between communities in the north, east, and south, as well as the U.S. Agency for International Development's ongoing social cohesion and reconciliation work.

Sri Lanka joined Bangladesh, Bhutan, India, Myanmar, Nepal, and Thailand in October at the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation Summit, which focused on counterterrorism cooperation. Also in October, Sri Lanka and India held the fourth annual iteration of bilateral naval training focused on anti-piracy, weapons firing, and cross-deck helicopter operations exercises. Sri Lankan military personnel also participated in joint training exercises with India focused on counterterrorism and counter-insurgency operations to achieve better military-to-military cooperation and inter-operability.

TAJIKISTAN

Overview: The Government of Tajikistan remained focused on countering violent extremism, monitoring the possible return of Tajik foreign terrorist fighters, and addressing the potential threat to the country posed by instability in northern Afghanistan. According to open-source reporting, approximately 1,000 Tajik citizens have joined ISIS and other terrorist groups in Iraq and Syria. With growing concern that terrorist groups in Afghanistan may be able to cross porous border areas into Tajikistan – particularly with the drawdown of U.S. troops – the government has attempted to increase its military and law enforcement capacity to conduct tactical operations. As part of this effort, the government has sought assistance from the United States, as well as other partners. Tajik government efforts to strengthen its responses to terrorism and radicalization in Tajikistan led to the adoption in 2016 of a comprehensive strategy to counter violent extremism.

In November, four men pled guilty to charges that they intended to blow up police and security buildings and hoist an ISIS flag. The men were sentenced to prison terms ranging from 12 to 15 years.

Legislation, Law Enforcement, and Border Security: The Tajik government prosecutes terrorists under the Laws on Combating Terrorism, Anti-Money Laundering, Currency Regulation, Notary, and the Criminal Code of the Republic of Tajikistan. In 2016, Tajikistan introduced amendments to the penal code criminalizing public support of terrorism and "extremist" activities. Under the amendments, citizens who publicly urge terrorist acts or who publicly justify terrorist activities face jail terms of between five and 10 years. The punishment increases to 10 to 15 years in jail for those who make such public statements of incitement or support through mass media.

A slumping economy and long-standing corruption reduced Tajikistan's resources to interdict possible terrorists. Tajikistan has established a coordinating headquarters for law-enforcement

bodies countering terrorism and "extremism," but interagency cooperation and information sharing capabilities remained limited.

Tajikistan continued to make progress in improving border security with bilateral and multilateral assistance, although effectively policing the Tajikistan-Afghanistan border remained a difficult task requiring more resources and capabilities than were available to the Tajik government. As a result, there were periodic reports of illegal border crossings, usually by drug smugglers. The UN Office of Drugs and Crime, in conjunction with the U.S. Drug Enforcement Agency (DEA) and the Department of State, provided interdiction-related training to Tajikistan (and Afghanistan, Kazakhstan, The Kyrgyz Republic, and Uzbekistan) in support of the Border Liaison Office program. A number of U.S. Central Command programs continue to provide material support, training, and infrastructure development assistance to Tajik security forces focused on border security, counter-narcotics, and counterterrorism. The State Department's Export Control and Related Border Security Program provided both training and material support related to border control, contraband interdiction, and counter-proliferation capability to Tajikistan.

The Government of Tajikistan made a number of terrorism-related arrests during the course of the year. According to the prosecutor-general, 31 citizens were detained while attempting to leave the country to join ISIS, and criminal proceedings were opened against 166 Tajiks alleged to have fought with the group. The government claimed that most Tajiks who have joined ISIS were radicalized abroad, usually in Russia. Human rights organizations alleged that the government in some instances used terrorism charges as a pretext to target independent voices, including dissidents living abroad.

Tajik law enforcement officers continued to participate in the Department of State's Antiterrorism Assistance program, receiving capacity-building training in counterterrorism-focused skill sets.

Countering the Financing of Terrorism: Tajikistan is a member of the Eurasian Group on Combating Money Laundering and Financing of Terrorism (EAG), a Financial Action Task Force (FATF)-style regional body. Tajikistan's financial intelligence unit, the Financial Monitoring Department (FMD), is a member of the Egmont Group of Financial Intelligence Units. Between 2013 and 2016, the number of entities reporting to the FMD increased significantly. Still, the FMD's capacity to conduct prompt and thorough analyses of reported transactions is limited due to difficulties in accessing relevant government authorities' databases, which would allow for a comprehensive analysis.

Terrorist financing is criminalized by Tajikistan's Law on Anti-Money Laundering and Anti-Terrorist financing, but there has not been a significant number of prosecutions or convictions of terrorist financing cases reported by Tajikistan in recent years. Tajikistan has made improvements in implementation of UN Security Council resolution 1373 and the UN Security Council ISIL (Da'esh) and al-Qa'ida sanctions regime, as financial institutions are legally mandated to freeze funds of individuals and entities on UN sanctions lists, as well as domestic designations lists without delay.

In 2016, Tajikistan provided information to the EAG on steps it took to develop national anti-money laundering and countering the financing of terrorism (AML/CFT) legislation and to conduct a national risk assessment, as part of the country's efforts to improve its AML/CFT framework in line with FATF standards.

For further information on money laundering and financial crimes, see the *2017 International Narcotics Control Strategy Report (INCSR), Volume II, Money Laundering and Financial Crimes*: http://www.state.gov/j/inl/rls/nrcrpt/index.htm.

Countering Violent Extremism: In 2016, the Tajik government adopted a national strategy to counter violent extremism and terrorism. The strategy replaced an earlier version, which did not address foreign terrorist fighters or the use of social media. The strategy was introduced at the end of 2016, after a lengthy interagency drafting process. Under the strategy, the prosecutor-general must provide the president with a yearly report on the implementation of the strategy. Some civil society groups have voiced concern that the strategy will be used as a tool to further limit political expression in Tajikistan, and that the strategy's heavy focus on law enforcement ignores the drivers of violent extremism.

Tajikistan's countering violent extremism (CVE) efforts have focused heavily on religious "extremism"; the government tightly controls religious expression. A nascent public-messaging program exists, including government efforts to use reintegrated violent extremists to speak out publicly against terrorist groups. Imams from Tajikistan have also traveled abroad to speak to Tajik migrants in Kazakhstan and Russia about the dangers of radical religious thought. The Government of Tajikistan has expressed its readiness to cooperate with international partners on CVE. During 2016, government officials participated in a number of seminars and workshops on CVE and terrorism conducted by the Organization for Security and Cooperation in Europe (OSCE). Nevertheless, the government's prevention efforts center primarily on law enforcement action and the detention and prosecution of "extremist" recruiters and proselytizers.

Regional and International Cooperation: Tajikistan is a member of the OSCE, where it focuses on border security issues, and it is also a member of the Collective Security Treaty Organization and the Shanghai Cooperation Organization (SCO). Additionally, Afghanistan, China, Pakistan, and Tajikistan announced their intention in August 2016 to build a joint counterterrorism center in Tajikistan. In October, Tajikistan and China conducted a week-long joint counterterrorism exercise near the border with Afghanistan. Joint Tajik-Russian counterterrorism exercises were held in Tajikistan on three separate occasions in 2016. In October, member states of the SCO held "Cooperation 2016," a joint counterterrorism drill.

TURKMENISTAN

Overview: The Government of Turkmenistan continued its efforts to improve the capacity of law enforcement agencies to counter terrorism, ensure border security, and detect terrorist financing, by working with international organizations and participating in training in these areas. The government did not report any terrorist incidents, and authorities continued to maintain pervasive surveillance of the population.

Legislation, Law Enforcement, and Border Security: The country's legal system as it pertains to counterterrorism is based around the 2003 counterterrorism law that defines which crimes are considered terrorist in nature. This law is supplemented by articles 271-273 of the criminal code, which pertain to terrorist acts and terrorist financing and are used to prosecute terrorism-related offenses.

The State Border, Customs, and Migration Services and the Ministries of National Security, Internal Affairs, and Defense perform counterterrorism functions and share information through an interagency commission. The country's law enforcement units do not regularly conduct proactive investigations and have a poor record of accountability and respect for human rights. Prosecutors, however, play a significant role in the investigation phase of a case, and specialized law enforcement units exist to conduct investigations. These units possess specialized equipment but often use the equipment only for official ceremonies and demonstrations as opposed to daily operations. Turkmenistan participated in training programs sponsored by the U.S. government and international organizations, which included programs on responding to counterterrorism threats at large public events and proper use of baggage x-ray and passenger screening at aviation checkpoints.

The State Border Service continued to operate frontier garrisons on Turkmenistan's borders with Afghanistan and Iran, and managed eight radiation portal monitors along its borders donated by the Department of Energy through its Second Line of Defense program. The monitors helped to detect, deter, and prevent the dissemination of explosives and radioactive materials. The State Migration Service possesses biometric screening capabilities at ports of entry. The government has not recently allowed U.S. radiation experts to visit the border region, despite a signed memorandum of understanding to allow such periodic visits to recalibrate the equipment; instead, the government has said it will allow third-country nationals from the region to do this work.

There is significant political will in Turkmenistan to counter terrorism and ensure border security. Corruption, however, hampered effective law enforcement. Additionally, international cooperation with the government can be hampered by the government's insistence on an official policy of neutrality and by a bureaucracy that operates according to opaque rules, which frequently deem information traditionally made available to the public to be "state secrets."

Countering the Financing of Terrorism: Turkmenistan is a member of the Eurasian Group on Combating Money Laundering and Financing of Terrorism, a Financial Action Task Force-style regional body. The Financial Monitoring Department (FMD) of the Ministry of Finance, the country's financial intelligence unit, was created in 2010. In 2016, Turkmenistan expressed interest in gaining admission to the Egmont Group of Financial Intelligence Units.

While Turkmenistan criminalizes terrorist financing in accordance with international standards, there were no reported prosecutions of terrorist financing cases in 2016. The FMD monitors and regulates alternative remittance services, requires the collection of data for wire transfers, and monitors non-profit organizations to prevent misuse and terrorist financing.

For further information on money laundering and financial crimes, see the *2017 International Narcotics Control Strategy Report (INCSR), Volume II, Money Laundering and Financial Crimes*: http://www.state.gov/j/inl/rls/nrcrpt/index.htm.

Countering Violent Extremism: Turkmenistan's law enforcement and security agencies exercise strict control over the population. The government views some forms of Islam with suspicion. Since the country's independence, mosques and Muslim clergy have been state-sponsored and financed. Any violent extremist groups existing in Turkmenistan would be small, underground, and disparate. The government imprisoned an unknown number of members of Muslim groups it categorizes as "extremist" for advocating theologically different interpretations of Islamic religious doctrine. The authorities have referred to these persons as "Wahhabis." According to the non-governmental organization Forum 18, prisoners categorized as "Wahhabis" are confined to special sections of prisons and are not allowed to receive visits or exchange correspondence with the outside world.

Rather than create effective counter-messaging, the government routinely controls the importation, publication, and dissemination of religious literature.

International and Regional Cooperation: Turkmenistan supports some regional and international efforts to fight terrorism. Law enforcement officials participated in Organization for Security and Cooperation in Europe and UN Office of Drugs and Crime training on border security. Government officials also participated in regional training on radicalism and countering violent extremism provided by the UN Regional Center for Preventive Diplomacy in Central Asia. Turkmenistan continued to participate in the Central Asia Regional Information and Coordination Center.

UZBEKISTAN

Overview: With the death of President Islam Karimov in September and the election of Shavkat Mirziyoyev as president in December, Uzbekistan is experiencing its first significant political transition since independence. Uzbekistan's security policy has prioritized counterterrorism along with countering narcotics trafficking.

With the drawdown of U.S. troops from Afghanistan, the Government of Uzbekistan continued to express concern about the potential for spillover of terrorism from bordering Afghanistan and its Central Asian neighbors. Uzbek officials expressed confidence that Uzbekistan can control its border with Afghanistan, but doubted its neighbors' ability to do so. The Government of Uzbekistan is particularly concerned with infiltration of violent extremists through Uzbekistan's long borders with Tajikistan and Turkmenistan. In the past, Uzbekistan did not foster close cooperation with its neighbors on security matters. President Mirziyoyev, however, has prioritized improving relations with Uzbekistan's neighbors in his statements and may change Uzbekistan's stance towards regional collaboration. Uzbekistan has actively participated in the C5+1 regional framework of cooperation between the United States and the Central Asian countries (Kazakhstan, Kyrgyz Republic, Tajikistan, Turkmenistan, and Uzbekistan), which includes a program related to countering violent extremism (CVE).

The Government of Uzbekistan restricts information on internal matters, making it difficult to analyze the extent of the terrorist threat and the effectiveness of Uzbek law enforcement efforts to counter it. Uzbekistan does share U.S. interests in combating ISIS, but did not formally join in Global Coalition to Defeat ISIS efforts and does not participate in similar efforts as a longstanding matter of policy.

An ethnic Uzbek allegedly participated in the terrorist attack at the Istanbul airport in Turkey on June 28. In November, two Uzbeks were arrested in Turkey for preparing to be ISIS suicide bombers. Russia's Federal Security Service also reported that it foiled several terrorist plots planned by groups of Central Asian extremists, which included Uzbek nationals. An Uzbek national who worked as a nanny in Moscow beheaded a child in a possible terrorist act in February. Additionally, Uzbeks have participated in attacks in Afghanistan and Syria. The Government of Uzbekistan did not issue comments regarding reports of these incidents.

Legislation, Law Enforcement, and Border Security: The overarching legislation governing terrorism-related investigations and prosecutions is the "Law on Combating Terrorism" passed in 2000. Uzbekistan also criminalizes terrorism under Article 155 of the criminal code. This legislative basis identifies the National Security Service (NSS) as the lead counterterrorism law enforcement agency, with primary responsibility for the coordination and supervision of all interagency efforts.

In 2016, Uzbekistan amended the criminal code to include prison sentences of eight to 10 years for individuals acting as terrorist recruiters or trainers. New measures also instituted sentences of up to eight years for propagating ideas of religious "extremism" and three to five years for displaying symbols of "extremist" or terrorist organizations. The Government of Uzbekistan additionally enacted regulations establishing compensation for damages resulting from counterterrorism operations.

Beyond these measures, Uzbekistan passed a judicial reform package to reinforce the independence of the judiciary and defendants' rights in October. Notably, this reform shortened the maximum period of suspect detention from 72 to 48 hours, pre-trial detention from one year to seven months, revised judges' appointment terms, and transferred responsibilities for court financing from the Ministry of Justice to the Supreme Court.

Despite these positive developments, the Government of Uzbekistan routinely uses security concerns related to terrorism as a pretext for detention of suspects, including of religious activists and political dissidents. For example, in 2016, the Government of Uzbekistan prosecuted an ethnic Armenian Christian, Aramais Avakian, on terrorism charges based on dubious evidence in an internationally publicized case. Uzbekistan also periodically blocks social media sites and networking platforms, such as Skype, to purportedly prevent the spread of terrorist messaging. The April amendments to the criminal code prohibiting the spread of "extremist" propaganda via the internet are vaguely worded and can be used to suppress criticism or dissent.

Uzbekistan does not publicly share any information regarding operational counterterrorism activities. Both the NSS and the Ministry of Interior (MIA) have dedicated counterterrorism

units, with specialized equipment. For example, the MIA explosives lab has advanced chromatography equipment obtained with U.S. support.

Uzbekistan's border control infrastructure varies widely, from a highly militarized stretch on the Afghan border to loosely controlled zones along the borders with its Central Asian neighbors. Most border posts and airports are equipped with biometric data scanners. Uzbekistan began issuing biometric passports in 2011 and plans to convert all passports to the new biometric version by July 1, 2018. Uzbek law enforcement maintains its own terrorist watchlist and contributed to INTERPOL databases. The state airline collects and disseminates advance passenger information. The U.S. Transportation Security Administration conducted several inspections of the Tashkent airport in 2016.

The Government of Uzbekistan has not reported taking specific actions to implement UN Security Council resolutions (UNSCRs) 2178 (2014) and 2199 (2015). The government has voiced concerns, however, about the return of foreign terrorist fighters and the recruitment of Uzbeks by ISIS and other groups operating in Syria and Iraq, as well as terrorist groups operating in Afghanistan and Pakistan, such as the Islamic Movement of Uzbekistan and the Islamic Jihad Union. Enhanced security measures that include frequent document checks and house-to-house resident-list checks seek to identify potential foreign terrorist fighters transiting or active in Uzbekistan. According to press reports, Uzbek law enforcement detained approximately 550 people on suspicion of involvement in "extremist" or terrorist activities during the first half of 2016. In the majority of trials related to terrorism covered by the press, suspects were charged with the spread of extremist materials or association with banned organizations, particularly Hizb ut-Tahrir and ISIS. All publicized trials resulted in convictions.

Both law enforcement and the judicial system in Uzbekistan are subject to political influence and corruption. The government's approach to stifling terrorism, such as detaining suspects without strong evidence and invasive document checks, are not necessarily effective in detecting terrorism networks and could contribute to anti-government sentiment. Secrecy surrounding counterterrorism efforts and compartmentalized information sharing among stakeholder law enforcement agencies also could diminish Uzbekistan's capabilities to effectively counter terrorism.

Countering the Financing of Terrorism: Uzbekistan belongs to the Eurasian Group on Combating Money Laundering and Financing of Terrorism (EAG), a Financial Action Task Force-style regional body. The EAG conducted its most recent mutual evaluation of Uzbekistan in 2009. In the 2016 follow-up report, EAG found Uzbekistan to be adequately progressing in implementing its recommendations.

Uzbekistan criminalizes terrorist financing under Article 155 of the criminal code. In April 2016, the Article was amended to introduce prison sentences of eight to 10 years for terrorist financing. In the same month, Uzbekistan also amended its basic anti-money laundering/countering the financing of terrorism (AML/CFT) law to introduce and define the terms "freezing of funds or other assets" and "suspension of a transaction," mandating that all financial entities check parties to a transaction against lists of persons involved or suspected of involvement in terrorist activities. Additional amendments to the terrorism law designated

Uzbekistan's financial intelligence unit (FIU), the Department for Combating Tax and Currency Crimes and Money Laundering of the Office of Prosecutor General, the body responsible for money laundering and terrorist financing investigations, as a counterterrorism agency.

Despite these amendments, Uzbekistan's AML/CFT regime does not clearly define the FIU-maintained procedures that govern the freezing of assets or suspension of transactions. The Government of Uzbekistan has not released the procedures or relevant statistics related to amount of assets frozen in 2016. This led international experts to conclude that financial institutions may face difficulties in fulfilling their obligations due to lack of procedural clarity, raising questions as to the effectiveness of implementation of UN Security Council resolution 1373 and the UN Security Council ISIL (Da'esh) and al-Qa'ida sanctions regime.

Legislation governing the creation of lists of those involved or suspected of involvement in terrorist activities, which are maintained by the FIU based on information provided by a number of ministries, has not been updated since 2009. It does not establish a specific mechanism for review and incorporation of information received from foreign countries, beyond inclusion of information passed by other foreign affairs ministries. Nor does it establish a procedure for delisting requests. The FIU announced in October that it would release a single consolidated list on its website in 2017.

For further information on money laundering and financial crimes, see the *2017 International Narcotics Control Strategy Report (INCSR), Volume II, Money Laundering and Financial Crimes*: http://www.state.gov/j/inl/rls/nrcrpt/index.htm.

Countering Violent Extremism: The Government of Uzbekistan does not differentiate in its legislation or public statements between violent extremism and "extremism," which it defines as any non-state sanctioned religious expression. Public officials avoided discussions of extremism or Uzbekistan's counter-"extremism" strategy with foreign interlocutors. In 2016, the Government of Uzbekistan did not release or acknowledge conducting research on the drivers of violent extremism. U.S.-commissioned research has shown that Uzbeks are most likely to radicalize while working as migrants abroad. Within Uzbekistan, law enforcement effectively curtails unsanctioned religious or political organizing and access to unauthorized religious materials. However, Uzbek migrants working in relatively open Russia or in other countries can become targets of violent extremists' online or in-person recruitment.

To counter violent extremism, the government works through local government organizations – such as neighborhood, women's, and religious committees – to conduct outreach and educate citizens about the dangers of extremist ideologies. Representatives from these organizations monitor for suspicious behavior and conduct interviews with at-risk individuals.

There were few known reintegration efforts underway in Uzbekistan as there was no significant population of returning foreign terrorist fighters in 2016. The government has raised concerns over the potential radicalization of Uzbek migrants, however, without undertaking any concrete steps to facilitate reintegration.

Official media produced counter-messaging through public service announcements and media reports about the dangers of "Islamist extremism" and joining terrorist organizations, and have posted them on social media platforms like YouTube. Public religious figures, such as the Grand Mufti of Uzbekistan, frequently made public speeches condemning "extremist" ideology. In his first public speech as president, Mirziyoyev highlighted the dangers of "extremism" and urged parents, teachers, and neighborhood leaders to offer guidance to young people.

International and Regional Cooperation: Uzbekistan is a member of the Organization of Islamic Cooperation and the Shanghai Cooperation Organization (SCO). Tashkent hosted ministerial meetings of both organizations in 2016 and declaratively welcomed closer cooperation between member states in fighting terrorism and "extremism." The SCO Regional Anti-Terrorist Structure is located in Tashkent, but its activities appeared to be limited. The Government of Uzbekistan has worked with multilateral organizations such as the Organization for Security and Cooperation in Europe and the UN Office on Drugs and Crime on security issues.

Uzbekistan prefers bilateral over multilateral security cooperation. According to the media, Uzbek law enforcement has cooperated with Russian counterparts in sharing information about terrorist suspects. Russian and Uzbek religious organizations have also held joint seminars devoted to countering "extremism." It is unclear how closely Uzbekistan cooperates on counterterrorism with other countries. While Uzbek officials often welcome collaboration, the Government of Uzbekistan does not release detailed information about such efforts.

WESTERN HEMISPHERE

Overview: Many countries in Latin America have porous borders, limited law enforcement capabilities, and established smuggling routes. These vulnerabilities offered opportunities to local and international terrorist groups and posed challenges to governments in the region. Canada and the Caribbean – particularly Trinidad and Tobago – were sources of foreign terrorist fighters in 2016; the return of these trained foreign terrorist fighters is of great concern.

Transnational criminal organizations continued to pose a significant threat to the region, and most countries made efforts to investigate possible connections between terrorist organizations and criminal activity. For many countries in the region, the challenges related to transnational crime remained the preeminent security concern in 2016. Corruption, weak government institutions, insufficient interagency cooperation, weak or non-existent legislation, and a lack of resources remained the primary causes for the lack of significant political will to counter terrorism in some Western Hemisphere countries. Nevertheless, some countries, like Brazil and Trinidad and Tobago, have made significant progress in their counterterrorism efforts.

The Revolutionary Armed Forces of Colombia and the Government of Colombia reached an agreement to end their five-decade conflict. The Colombian Congress approved the peace accord on November 30, 2016, which put in motion a six-month disarmament, demobilization, and reintegration process. In 2016, the Colombian government continued exploratory peace talks with the National Liberation Army, which continued to conduct terrorist activities; a date

for formal peace negotiations was set for early 2017 in Quito, Ecuador. Peru's Shining Path terrorist group remained active, but with reduced strength, and focused mostly on criminal activities.

The Tri-Border Areas of Argentina, Brazil, and Paraguay remained an important regional nexus of arms, narcotics, pirated goods, human smuggling, counterfeiting, and money laundering – all potential funding sources for terrorist organizations.

Terrorist groups based in the Middle East find some support in Latin America despite the geographic distance. The call to fight in Iraq or Syria drew limited numbers of recruits from Latin America and parts of the Caribbean, which offered areas of financial and ideological support for ISIS and other terrorist groups in the Middle East and South Asia. In addition, in 2016 Hizballah maintained some financial supporters, facilitators, and sympathizers in the region that it could tap for support in building and expanding its activities there.

In 2016, the Organization of American States' Inter-American Committee Against Terrorism (CICTE) focused programs and activities on cyber and supply chain security as part of the OAS' long-standing work on critical infrastructure security and resilience. The 16th CICTE Regular Session took place in February in Washington, DC, and brought together high level experts and authorities from the region to discuss the use of the internet for terrorist and criminal purposes, among other topics.

In 2016, the Caribbean Community Implementation Agency for Crime and Security (CARICOM/IMPACS) took steps to develop a coordinated regional counterterrorism strategy for the Caribbean, which it plans to release in 2017. CARICOM also consulted with international partners including the United States, Canada, and the United Nations to identify best practices for inclusion in its counterterrorism strategy. This effort to improve cooperation and coordination builds on the CARICOM Crime and Security Strategy, approved in 2013.

The United States collaborated with both Canada and Mexico to protect our shared borders through regular exchanges of intelligence and other information.

ARGENTINA

Overview: In 2016 Argentina focused its counterterrorism strategy on its northern and northeastern borders, which include the Tri-Border Area where Argentina, Brazil, and Paraguay meet, and where terrorist financing networks operate. The Government of Argentina systematically issued statements condemning violent acts perpetrated by ISIS and other global terrorist organizations.

Legislation, Law Enforcement, and Border Security: In 2016, the Government of Argentina announced a plan to reform its counterterrorism legal framework. The proposed legislation would include penal system reforms, a new approach to countering terrorist financing, and a modernization of security and intelligence capabilities. Multiple security agencies maintained specialized law enforcement units that have substantial capabilities to respond to terrorist incidents.

The criminal investigations into and prosecutions of the 1994 terrorist bombing of the Argentine Jewish Mutual Association community center in Buenos Aires that killed 85 people remained in the news. Former President Cristina Fernandez de Kirchner testified before an investigative court about her role in the congressional commission tasked with the investigation into the bombing. The former president was a member of the commission from 1996 until 2001 during her tenure as a federal senator. In late December of 2015, following the election of Mauricio Macri as president, the new administration chose not to appeal a federal court ruling invalidating a Memorandum of Understanding between Argentina and Iran concerning the investigation into the bombing. The Memorandum had been negotiated and signed by the Fernandez de Kirchner administration, who maintained that the agreement with Iran would clarify Iran's alleged role in the bombing. Several former Iranian officials have been indicted for planning and executing the bombing, and are subject to INTERPOL Red Notices.

There was a substantial increase in U.S.-Argentina law enforcement and security cooperation in 2016. In early March, the Department of State approved funding to support the development of a Fusion Center for Argentine security forces, based on the U.S. model, to expand capabilities and improve communications and information sharing between Argentine federal ministries. U.S. agencies have hosted Argentine counterparts and organized training courses in counterterrorism and fusion center strategic planning.

Countering the Financing of Terrorism: Argentina is a member of the Financial Action Task Force (FATF) and the Financial Action Task Force of Latin America, a FATF-style regional body. Its financial intelligence unit, Unidad de Informacion Financiera (UIF), is a member of the Egmont Group of Financial Intelligence Units. In February, President Macri's administration announced its plan to counter money laundering and terrorist financing and expanded UIF's authority as the lead agency on all financial intelligence matters. Argentina also passed legislation in mid-2016 which allows the UIF to share information with relevant law enforcement and security agencies; previously, the UIF could only share information with the prosecutor's office. This new authority should improve Argentina's ability to use financial intelligence to identity and disrupt the activities of illicit actors. The UIF did not identify any cases involving terrorist financing in 2016. Two cases identified in 2014 – as possibly involving terrorist financing – remained under investigation at the end of 2016.

While Argentina has established the legal authorities and mechanisms necessary to identify and counter the financing of terrorism, results in the form of targets identified, assets seized, and cases prosecuted have been minimal. Following the September 2016 visits of the U.S. Secretary of the Treasury and the Assistant Secretary for Terrorist Financing, the United States and Argentina renewed bilateral cooperation against terrorist financing.

For further information on money laundering and financial crimes, see the *2017 International Narcotics Control Strategy Report, Volume II, Money Laundering and Financial Crimes*: http://www.state.gov/j/inl/rls/nrcrpt/index.htm.

Countering Violent Extremism: The Government of Argentina consistently issued statements of condemnation against major acts of international terrorism in 2016. Argentina participated in

the UN Conference on Preventing Violent Extremism and pledged its support to the UN Plan of Action to Prevent Violent Extremism.

International and Regional Cooperation: Argentina participates in the Organization of American States Inter-American Committee Against Terrorism and the Southern Common Market Special Forum on Terrorism. Argentina, Brazil, and Paraguay coordinated law enforcement efforts in the Tri-Border Area via their Trilateral Tri-Border Area Command. In 2016, Argentina resumed its participation in the International Law Enforcement Academy in San Salvador, El Salvador.

BRAZIL

Overview: Counterterrorism cooperation between Brazil and the United States was strong, with increased information sharing in 2016. The Brazilian government passed legislation criminalizing terrorism and terrorist financing and dramatically increased both interagency and international cooperation on counterterrorism issues in 2016. In repeated public statements in advance of the 2016 Summer Olympics and Paralympics in Rio de Janeiro, Brazilian officials candidly assessed the potential threat posed by a high-profile gathering of foreigners and prepared for the possibility of a lone offender/self-radicalized individual or other terrorist threat at the Olympics. The Brazilian government deployed an interagency strategy on counterterrorism, integrated counterterrorism command centers which included international partners, and launched a public awareness campaign, "See, Inform, Save," to encourage citizens to be alert to potential terrorist or security threats. No terrorist incident occurred at the Olympic Games. Commentators noted the concerted Brazilian effort to improve counterterrorism cooperation as a potential lasting legacy of the Games.

The Brazilian Federal Police (DPF) – Brazil's lead counterterrorism agency – worked closely with the United States and other nations' law enforcement entities to assess and mitigate potential terrorist threats, especially leading up to the Olympics. The Brazilian government continued to support counterterrorism activities, which included third-country technical assistance for controlling sensitive technologies, assessing and mitigating potential terrorist threats in advance of major events, and investigating fraudulent travel documents.

In 2016, press reports indicated the new online presence of a Portuguese-speaking ISIS recruiter (Ismail Abdul Jabbar Al Brazili – "The Brazilian") and potential Brazilian sympathizers.

As a result of the deepest economic recession in Brazil's modern history and a fiscal short-fall, there were austerity cuts across the government, including at the law enforcement agencies that address counterterrorism and rule of law.

Legislation, Law Enforcement, and Border Security: On March 16, Brazil's president signed Law #13.260, criminalizing terrorism and terrorist financing, including specific provisions addressing foreign terrorist fighters. The law imposed penalties of up to 12 to 30 years' imprisonment for terrorism and 15 to 30 years for terrorist financing – in addition to any other applicable charges. The law also criminalized preparatory acts that could lead to a terrorist attack. This law includes penalties for those who recruit individuals to another country with the

purpose of practicing acts of terrorism, as well as those who provide or receive such training in another country, in line with UN Security Council resolution (UNSCR) 2178 (2014) on foreign terrorist fighters.

The Law joined companion legislation (Law #13.170, signed October 16, 2015) to facilitate the freezing of assets, giving Brazil a comprehensive legal counterterrorism framework for the first time. Together, the two laws closed a longstanding legal gap in Brazil that had hindered counterterrorism investigations and prosecutions.

Law #13.260 was used for the first time on July 21, two weeks ahead of the start of the Olympic Games. As part of "Operation Hashtag," Brazilian Federal Police arrested 12 Brazilian citizens under suspicion of preparatory acts for an intended terrorist attack. Since then, charges have been filed against eight individuals, with trials pending at year's end.

In November, Brazil's president established a permanent federal interagency committee on border security issues, as part of a stated objective by the administration to prioritize the issue. Prior to the Olympics, Brazil instituted an interagency structure on counterterrorism strategy, led jointly by the Ministry of Justice and Citizenship, the Institutional Security Cabinet, and the Ministry of Defense. Brazil's Ministry of External Affairs leads on counterterrorism policy at international fora. This strategic planning led to the establishment of counterterrorism protocols for a wide range of potential scenarios, with a particular focus on soft targets.

Operationally, multiple Brazilian law enforcement agencies have counterterrorism responsibilities. The Brazilian Federal Police's Anti-Terrorism Division – which reports to the Ministry of Justice and Citizenship – is the lead counterterrorism agency, responsible for investigating any terrorist-related threats or groups. Response duties are shared by state-level Military Police Departments, through their respective Police Special Operations Battalions; and the state-level Civil Police Departments, through their respective Divisions of Special Operations. The Brazilian Intelligence Agency, which reports to the Institutional Security Cabinet, also monitors terrorist threats. Brazil's military leads on border security issues and on chemical, biological, nuclear, and radiological emergency response. Coordination between civilian security and law enforcement agencies, and the Brazilian military, is hindered by inter-agency rivalries, but has made great strides through Brazil's preparations for major events. Interagency coordination would benefit from consolidated and automatic information sharing.

All of Brazil's law enforcement agencies with counterterrorism responsibilities have benefitted from U.S. capacity-building training. In 2016, the Department of State's Antiterrorism Assistance program delivered courses to security and law enforcement personnel covering such topics as countering international and transnational terrorism, preventing attacks on soft targets, and police leaders' role in countering terrorism – all with the goal of enhancing investigative capabilities, building border security capabilities, and supporting Brazil's efforts to prevent and respond to potential terrorist attacks at the 2016 Summer Olympics. Training courses had the added benefit of bringing together disparate agencies, which enhanced Brazilian interagency communication. In addition, the Department of State supported subject matter expert exchanges

on emergency incident command response for major disasters and fire and medical rescue training, as well as supporting enhanced operational information sharing.

Brazilian authorities continued to work with other concerned nations – particularly the United States – to counter document fraud. Regional and international joint operations successfully disrupted a number of document vendors and facilitators, as well as related human-smuggling networks. The Department of State provided comprehensive and ongoing counterfeit and fraudulent document recognition training to airline and border police units through its Investigations Program. The Investigations Program continued to train thousands of airline personnel and Brazilian Immigration officials at all of Brazil's international ports of entry. The Department of Homeland Security's Immigration and Customs Enforcement, Homeland Security Investigations, and Customs and Border Protection (CBP) have trained Brazilian airline employees on identifying fraudulent documents.

The U.S.-Brazil Container Security Initiative (CSI) in Santos, which began in 2005, continued to operate throughout 2016. CSI promotes container security by co-locating CBP personnel overseas with Brazilian customs administrators, to target, detect, and inspect high-risk cargo while facilitating the movement of legitimate trade. CBP's International Affairs and Field Operations Offices conducted joint workshops with Brazil to bolster supply chain security and port security. Similarly, the National Civil Aviation Agency, DPF, and Brazilian Customs continued to work with the U.S. Transportation Security Administration (TSA) to make modifications to Brazil's National Cargo Security Program to gain TSA recognition of commensurability for cargo security procedures, training, and operations at Brazil's international airports.

Brazil shares vast international borders with 10 different countries. Many of its borders – especially those with Argentina, Colombia, Paraguay, Uruguay, and Venezuela – are porous. Irregular migration, especially by aliens from areas with a potential nexus to terrorism, is a growing problem, with Brazil often serving as a transit country.

Brazilian states maintained individual criminal records databases, and information sharing between the states is unwieldy. Biographic information is collected from foreign visitors, although biometric information is not. A 2013 law requires the collection of passenger name record data, and it is being gradually implemented. Brazil maintains its own watchlist, but it is not fully digitized and is not widely shared across all the relevant screening authorities. Brazil collaborates with other nations and INTERPOL on information sharing. On July 18, Brazilian airports began applying international security measures for inspection of passengers and hand luggage on domestic flights.

The Brazilian Army continued to implement an Integrated Border Monitoring System to monitor the country's borders using a combination of soldiers, cameras, sensors, and satellites. The strategic initiative is underway in the state of Mato Grosso do Sul, as a preliminary pilot project, with intention to cover the entire Brazilian border by 2021.

Brazil's law enforcement, security officials, and justice system faced resource constraints when enforcing immigration law, supervising airport security and screening, and monitoring Brazil's borders.

Countering the Financing of Terrorism: Brazil is a member of the Financial Action Task Force (FATF) and the Financial Action Task Force of Latin America, a FATF-style regional body. Its financial intelligence unit, the Council for Financial Activities Control (COAF), is a member of the Egmont Group of Financial Intelligence Units. COAF is a largely independent entity within the Finance Ministry and is responsible for monitoring domestic financial operations, identifying possible funding sources for terrorist groups, and implementing the UN Security Council ISIL (Da'esh) and al-Qa'ida sanctions regime.

Brazil criminalized terrorist financing via Law #13.260, signed March 16, 2016. Law #13.170, signed October 16, 2015, provided procedures for freezing assets relating to UN Security Council resolutions and for information provided through bilateral cooperation. Brazil's laws and regulations still do not fully comply with FATF standards, however.

For further information on money laundering and financial crimes, see the *2017 International Narcotics Control Strategy Report, Volume II, Money Laundering and Financial Crimes*: http://www.state.gov/j/inl/rls/nrcrpt/index.htm.

Countering Violent Extremism: The Government of Brazil consistently issued statements of condemnation against major acts of international terrorism in 2016. The DPF Anti-Terrorism Division takes the lead on addressing threats of radicalization to violence and countering violent extremism.

International and Regional Cooperation: Brazil participates in regional counterterrorism fora, including the Organization of American States and its Inter-American Committee Against Terrorism; the Union of South American Nations; and the working group on terrorism and sub-working group on financial issues in the Southern Common Market. In addition, it participated in the 2016 establishment of BRICS (a grouping of emerging economies that includes Brazil, China, India, Russia, South Africa) Joint Working Group on Counterterrorism.

Brazil worked with a range of international law enforcement partners in its security plan for the 2016 Summer Olympics, through two Centers for International Police Cooperation (CCPI) and an Integrated Antiterrorism Center (CIANT). The CCPI included three foreign law enforcement officials for each of the 55 invited countries. CIANT also included representatives from invited countries.

The Brazilian government continued to invest in border and law enforcement infrastructure and has undertaken initiatives with its neighboring countries to control the flow of goods – legal and illegal – through the Tri-Border Area of Argentina, Brazil, and Paraguay.

CANADA

Overview: In 2016, Canada played a significant role in international efforts to detect, disrupt, prevent, and punish acts of terrorism. Canada and the United States maintained a close, cooperative counterterrorism partnership, and worked together on key bilateral homeland security programs such as the Beyond the Border initiative and the Cross Border Crime Forum. Canada made important contributions to the Global Counterterrorism Forum (GCTF) and the Global Initiative to Counter Nuclear Terrorism (GICNT), and Canadian diplomacy supported global efforts to prevent radicalization, counter violent extremism, and promote stability and the rule of law. Canada rigorously implemented UN Security Council resolutions (UNSCRs) 2178 (2014) and 2199 (2015), monitored financial flows to counter terrorist financing, and implemented GCTF good practices on foreign terrorist fighters. The main terrorist threats in Canada are from Canada-based violent extremists inspired by terrorist groups such as ISIS and al-Qai'da and their affiliates and adherents.

Canada has made important contributions to the Global Coalition to Defeat ISIS over the past year. Although Ottawa withdrew its six deployed CF-18s from the effort in February, its two Aurora surveillance aircraft and one refueling aircraft remained in theater and Canada has tripled its contribution of Special Operating Forces which have been advising and assisting Kurdish Peshmerga in their efforts to recapture territory from ISIS. Canada has also provided significant humanitarian assistance to ISIS-impacted communities, including by accepting more than 39,000 Syrian refugees over the past year. Canadian law enforcement and security services are working to prevent the flow of foreign terrorist fighters to Iraq and Syria.

2016 Terrorist Incidents: Canada experienced two terrorist incidents:

- On March 14, Ayanie Hassan Ali attacked Canadian soldiers at a military recruiting center in Toronto. The Royal Canadian Mounted Police (RCMP) formally charged him with three counts of attempted murder, two counts of assault causing bodily harm, three counts of assault using a weapon, and one count of carrying a weapon dangerous to the public, all for the benefit of a terrorist organization.
- On August 10, Aaron Driver was killed outside his home in southern Ontario by police officers while he was attempting to carry out a terrorist attack after he released a video pledging allegiance to ISIS. Driver was subject to a peace bond from earlier in 2016, which directed he not associate with any terrorist organization, including ISIS.

Legislation, Law Enforcement, and Border Security: Canada's legal framework includes significant penalties for committing terrorist acts, conspiring to commit terrorist acts, financing terrorism, and traveling abroad to engage in terrorism. Canada still faces; however, a significant challenge in prosecuting individuals who have traveled abroad to engage in terrorism, due to the difficulty in proving association with terrorist organizations or having committed specific terrorist acts. Traveling abroad to commit acts of terrorism is a violation of Canadian federal law. Current measures in place enforcing those laws include: peace bonds, which could involve the denial of passport applications or revocation of valid passports of Canadian citizens suspected of traveling abroad or aspiring to travel abroad to commit acts of terrorism; and the maintenance of a watchlist of individuals (both citizens and non-citizen residents) flagged for potential involvement with terrorist organizations.

In 2016, the following legislative activity impacting Canada's counterterrorism efforts included:

- Bill C-6 ("An act to amend the Citizenship Act and to make consequential amendments to another Act") was passed by the House of Commons on June 17, and awaits its second reading in the Senate. The bill was introduced in February to amend the *Citizenship Act* to remove the grounds for the revocation of Canadian citizenship that relate to national security.
- Bill C-22 ("An Act to establish the National Security and Intelligence Committee of Parliamentarians and to make consequential amendments to certain Acts") was in the reporting stage in the House of Commons. In June, the government introduced the bill which seeks to establish the National Security and Intelligence Committee of Parliamentarians and to define its composition and mandate.
- Bill C-23 ("Preclearance Act, 2016") awaits its second reading in the House, where it has been dormant since June 2016. When signed, it would implement the March 2015 Agreement on Land, Rail, Marine, and Air Transport Preclearance and provide U.S. officers with powers to facilitate preclearance with the caveat that the exercise of any such power would be subject to Canadian law.
- Bill C-51 ("Anti-Terrorism Act, 2015") was put out for public comment to fulfill an election campaign promise to amend "objectionable elements," but no action had been taken before the end of 2016.

Canadian government entities shared legally available terrorism-related information with U.S. counterparts in a timely, proactive fashion. Prosecutors worked in close cooperation with specialized law enforcement entities that use accepted investigative, crisis response, and border security techniques. Canadian federal law enforcement entities have clearly demarcated counterterrorism missions and maintain working relationships with their provincial and municipal counterparts as well as with elements of the Canadian Armed Forces.

Canada's border security network uses travel document security technology, terrorist-screening watchlists, biographic and biometric screening capabilities at ports of entry, information sharing between host government entities and other countries, and collection of advance passenger name record information on commercial flights to safeguard its borders. Canada and the United States have established border security collaboration under the auspices of the Beyond the Border initiative as well as within the framework of the Cross Border Crime Forum and other ongoing law enforcement exchanges. Canadian security forces maintain patrols to secure the country's land and maritime borders, with the Border Enforcement Security Task Forces and Integrated Border Enforcement Teams serving as models for effective cross-border law enforcement collaboration and capacity-building agencies. Canada continued to develop a traveler redress policy and process.

Canada conducted numerous law enforcement actions against terrorists and terrorist groups over the past year. The most significant were:

- On March 26, Kevin Omar Mohamed, who was subject to peace bond restrictions, was arrested and charged with carrying a concealed weapon and for possession of a weapon dangerous to public peace. On March 29, he was charged with participating in the

activity of a terrorist group over a two-year period. Mohamed was also accused of traveling to Turkey in April 2014 to join al-Qa'ida's affiliate in Syria, al-Nusrah Front, a listed terrorist entity in Canada.

- On December 5, Tevis Gonyou-McLean, a Muslim convert originally from Ottawa, was charged with allegedly threatening to bomb Ottawa's police headquarters and issuing death threats. He had been arrested in August on RCMP fears he would engage in terrorism. He was not charged at the time, but was placed under a peace bond. He was subsequently rearrested on November 5 for breaching the conditions of the peace bond.

There are some deterrents to more effective Canadian domestic law enforcement and border security, most of which include privacy and disclosure issues. The United States and Canada signed a new Tip-Off US-CAN (TUSCAN) arrangement following Prime Minister Trudeau's March 2016 visit to Washington, but the implementing protocols for the arrangement have not been developed. The development of a TUSCAN governance document continued at year's end.

Countering the Financing of Terrorism: Canada is a member of the Financial Action Task Force (FATF) and the Asia/Pacific Group on Money Laundering, a FATF-style regional body. Canada also has observer or cooperating status in the Caribbean Financial Action Task Force and the Financial Action Task Force of Latin America. Canada's financial intelligence unit, the Financial Transactions and Reports Analysis Centre of Canada, is a member of the Egmont Group of Financial Intelligence Units, and is responsible for detecting, preventing, and deterring money laundering and the financing of terrorist activities. Canada is also an observer in the Council of Europe's Select Committee of Experts on the Evaluation of Anti-Money Laundering Measures.

Canada has rigorous detection and monitoring processes in place to identify money laundering and terrorist financing activities. Canada implements the UN Security Council (UNSC) ISIL (Da'esh) and al-Qa'ida sanctions regime; criminalizes terrorist financing in accordance with international standards through implementation of UNSCRs 2178 and 2199; freezes and confiscates terrorist assets without delay; monitors and regulates money/value transfer and other remittance services; requires collection of data for wire transfers; obligates non-profits to file suspicious transaction reports and monitors them to prevent either misuse or terrorist financing; and routinely distributes the UNSC ISIL (Da'esh) and al-Qa'ida sanctions list to financial institutions.

For further information on money laundering and financial crimes, we refer you to the *2017 International Narcotics Control Strategy Report (INCSR), Volume II, Money Laundering and Financial Crimes*: http://www.state.gov/j/inl/rls/nrcrpt/index.htm.

Countering Violent Extremism: The RCMP National Security Community Outreach program promotes interaction and relationship-building with at-risk communities. The Department of Public Safety's Cross-Cultural Roundtable on Security fosters dialogue on national security issues between the government and community leaders, including diaspora groups. The government – at all levels: federal, provincial, and municipal – continued to work with non-governmental partners and concerned communities to counter violent extremism through preventative programming and community outreach. Additionally, the Department of Public

Safety was awaiting the appointment of a Special Advisor for its newly established Office of Community Engagement and Countering Radicalization to Violence and was financing a Community Resilience Fund to assist at-risk communities with US $900,000 per year.

International and Regional Cooperation: Canada prioritizes collaboration with international partners to counter terrorism and international crime and regularly seeks opportunities to lead. Canada is a founding member of the Global Counterterrorism Forum and co-chairs with Algeria its Sahel Region Capacity-Building Working Group. Canada remains active in numerous international fora dealing with counterterrorism, including the Organization for Security and Cooperation in Europe, the UN, the G-7, Asia Pacific Economic Cooperation, Association of Southeast Asian Nations (ASEAN) and the ASEAN Regional Forum, the Commonwealth, the International Civil Aviation Organization, the International Maritime Organization, and the Organization of American States and its Inter-American Committee Against Terrorism. Canada makes major contributions to GICNT, while its diplomacy supports efforts to prevent radicalization, counter violent extremism, and promote the rule of law overseas.

Global Affairs Canada maintains a Counterterrorism Capacity Building Program, which provides training, funding, equipment, and technical and legal assistance to states to enable them to prevent and respond to a broad spectrum of terrorist activity. Examples of activities supported by Canadian counterterrorism assistance include: border security; transportation security; legislative, regulatory, and legal policy development; human rights training; law enforcement, security, military, and intelligence training; chemical/biological/radiological/nuclear and explosives terrorism prevention, mitigation, preparedness, response, and recovery; detection and prevention of terrorist financing; cyber security; and the protection of critical infrastructure.

COLOMBIA

Overview: Colombia experienced a significant decrease in terrorist activity in 2016, according to Defense Ministry statistics, due in large part to a bilateral cease-fire between government forces and Colombia's largest terrorist organization, the Revolutionary Armed Forces of Colombia (FARC). Congressional approval of a peace accord between the government and the FARC on November 30 put in motion a six-month disarmament, demobilization, and reintegration process. In contrast to 2015, since August, there has been only one lethal confrontation between the military and FARC forces, resulting in the death of two guerrillas. Anecdotal reports from mayors and military contacts confirmed some FARC members continued extortion activities.

Talks between the government and the other major terrorist organization in Colombia, the National Liberation Army (ELN), were announced on October 10. Earlier in the year, President Santos ordered the military to intensify strikes against the ELN to push negotiations, while the ELN continued to conduct kidnappings, assassinations, and bombings. Colombian military statistics show a 94 percent increase over 2015 in the number of ELN members who demobilized.

Overall, the number of members of the FARC and ELN who were either killed in combat, captured, or demobilized, decreased compared to 2015. The number of civilian deaths from conflicts with guerilla organizations also decreased significantly. Colombian-U.S. counterterrorism cooperation remained strong. While Colombia has openly condemned ISIS and its objectives, it is not a member of the Global Coalition to Defeat ISIS.

2016 Terrorist Incidents: Colombian government statistics showed a 55 percent decrease in attacks from 2015. FARC attacks against the Colombian military stopped almost entirely after the June 23 bilateral cease-fire. The ELN continued low-cost, high-impact asymmetric attacks, such as launching mortars at police stations or the military, explosive devices placed near roads and paths, sniper attacks, and ambushes. Among the 2016 attacks, several were notable for their severity or press coverage:

- In February, the ELN initiated a wave of violence, kidnapping military intelligence official Jair de Jesus Villar from a power plant in Antioquia on February 4, killing a police officer in Cauca on February 5, attacking the military's 18th Brigade in Arauca with cylinder bombs on February 8, bombing the Cano Limon-Covenas oil pipeline in Boyacá on February 9, and throwing grenades that wounded eight police officers in the city of Cucuta on February 10.
- On May 22, the ELN kidnapped three journalists in Norte de Santander. President Santos launched an 800-strong police search, and the ELN surrendered the journalists to a Catholic Church delegation after six days.
- From July 3-5, the ELN killed six members of Colombia's security forces: three marines in Vichada, a soldier in Antioquia, and two policemen in Nariño.
- On October 27, the ELN killed two civilian truck drivers in the Arauca, one of Colombia's biggest oil producing regions.

Legislation, Law Enforcement, and Border Security: The investigation and prosecution of terrorism cases in Colombia is governed by Section 906 of Colombia's Criminal Procedure Code. The purpose of Section 906 is to develop an evidence-based justice system with a "beyond a reasonable doubt" standard of proof. Most terrorism cases are prosecuted under legal statutes also used for narcotics trafficking and organized crime.

The Attorney General Office's specialized Counterterrorism Unit has prosecutors assigned at the national level in Bogotá and in conflict-heavy regions. The unit has developed expertise in investigating and prosecuting acts of terrorism with the Attorney General's Technical Criminal Investigative Body, Colombia's National Police (CNP), and the country's military forces. The Attorney General's Office also has specialized prosecutors embedded with CNP anti-kidnapping and anti-extortion units throughout the country to handle kidnapping-for-ransom and extortion cases. Such efforts are now focused on the investigation and prosecution of ELN and other armed groups, as opposed to the FARC.

The U.S. Department of Justice, through its International Criminal Investigative Training Assistance Program, continued to work with the Attorney General's Office and other agencies on the development of a Standards and Training Commission to develop minimum standards for

investigators, forensic experts, and criminal analysts. Forensic labs are in the process of securing international accreditation.

The CNP has specialized counterterrorism units in the Intelligence, Anti-Kidnapping, and Judicial Police Directorates, all with advanced investigation techniques and crisis response capabilities. Law enforcement units displayed effective command and control within each organization and were properly equipped and supported. Counterterrorism missions are demarcated to a limited extent between law enforcement and military units. No single agency has jurisdiction over all terrorism-related investigations and post-incident response, sometimes resulting in poor information sharing and cooperation.

In 2016, Colombian authorities continued to operate military task forces to enhance coordination in countering terrorism. The CNP managed fusion centers to ensure all operational missions coordinated intelligence, investigations, and operations under the command of regional police commanders. Additionally, the National Police Intelligence Directorate continued to operate a 24-hour Citizen Security Center tasked with detecting, deterring, and responding to terrorist attacks, among other crimes.

Colombian border security remained an area of vulnerability. Law enforcement officers faced the challenge of working in areas with porous borders and difficult topography plagued by the presence of illegal armed groups and illicit drug cultivation and trafficking. The CNP lacked the manpower to enforce uniform policies for vehicle or passenger inspections at land border crossings. Biometric and biographic screening was conducted only at international airports. The Colombian government does not use advance Passenger Name Records. Of a total force of 184,000 officers, the CNP has 1,577 officers assigned to Customs Enforcement (air, land, and seaports and borders) duties.

Colombia remained a transit point for the smuggling of third-country nationals who may seek to enter the United States illegally. Compared to 2015, Colombia saw a 387 percent increase in undocumented migrants in 2016, primarily Haitians and Cubans attempting to transit to the United States. Porous borders with Ecuador and Venezuela facilitated the movements of third-country nationals, and existing maritime narcotics smuggling routes facilitated their onward movement to Central America. While Colombian immigration regularly detained third-country nationals who have entered the country illegally, the entity lacked both the personnel and enforcement authority to adequately respond to possible threats, and the financial resources to repatriate migrants.

Colombia continued cooperation and information sharing with the Panamanian National Border Service, while improved relations with neighboring Ecuador led to some increased cooperation on law enforcement issues. Following Venezuela's unilateral border closure in August 2015, the Colombian and Venezuelan governments began to reopen border posts on August 13. On December 12, Venezuelan President Nicolas Maduro again ordered the closure of the border for 72 hours (which was subsequently extended) in a stated effort to crackdown on currency smuggling. Colombia and Venezuela continued to improve coordinated security and law enforcement efforts, including expanding the Bi-National Joint Command and Control Center to

include a Bi-National Center for Fighting Transnational Organized Crime, increasing troops along the border, and considering proposals for maritime and fluvial cooperation.

Significant actions against terrorism in 2016 included:

- Jairo Alirio Puerta Peña (aka Omar Cuñado), a FARC member allegedly linked to massacres in Chocó in 2002 and Antioquia that left hundreds of civilians dead, was sentenced in June to three years and six months in prison for the crime of aggravated rebellion.
- On June 25, three ELN members were killed and a fourth arrested when the Colombian military staged a rescue operation to free a kidnapped businessman in Chocó.
- On September 21, authorities captured ELN members Daniel Andrés Molina and Gonzalo Vega in Santander. Vega is believed to be the commander of the Martha Cecilia Pabón commission of the ELN's Ephraim Pabón Pabón Front. Authorities seized two pistols, 91 cartridges, and one radio.

Law enforcement cooperation between Colombia and the United States remained strong. Evidence sharing and joint law enforcement operations occurred in a fluid and efficient manner. Colombia continued to participate in the State Department's Antiterrorism Assistance program, which provided instruction and resources to assist Colombia in building advanced, self-sustaining CNP capabilities to secure borders from terrorist transit, to investigate terrorists and terrorist incidents, and to protect critical infrastructure. Colombia continued to establish itself as a regional provider of law enforcement and counterterrorism training, particularly with regard to anti-kidnapping efforts and dignitary protection.

Countering the Financing of Terrorism: Colombia is a member of the Financial Action Task Force of Latin America, a Financial Action Task Force-style regional body. Colombia's Financial Information and Analysis Unit is a member of the Egmont Group of Financial Intelligence Units. Colombia stands out as a regional leader in the fight against terrorist financing, and has become a key part of a regional financial intelligence unit initiative aimed at strengthening information sharing among Latin American countries. For further information on money laundering and financial crimes, see the *2017 International Narcotics Control Strategy Report, Volume II, Money Laundering and Financial Crimes*: http://www.state.gov/j/inl/rls/nrcrpt/2016/vol2/index.htm.

Countering Violent Extremism: The passing of a peace accord with the FARC initiated a disarmament, demobilization, and reintegration process allowing potentially 15,000 FARC combatants and militia members to disarm through June 2017. The accord calls for the establishment of a reincorporation council to determine protocols and institutional arrangements for the reintegration of ex-combatants. The council was formally constituted December 20; however, it is not yet certain what institution will lead the reintegration process.

Colombia continued to employ a modern, multi-agency approach to countering radicalization to violence and violent extremism, with a focus on encouraging individual members and entire units of the FARC and ELN to demobilize and reintegrate into society. In 2016, the number of ex-combatants successfully graduating from the Colombian Reintegration Agency's

comprehensive program reached more than 15,000 ex-combatants. The number of FARC members who demobilized decreased, while the Colombian military reported an increase in ELN demobilizations and surrenders. Demobilization and reintegration programs provide medical care, psychological counseling, education benefits, technical training, and job placement assistance for demobilized combatants. To receive benefits, demobilized combatants must check in monthly with program managers. In contrast to last year, due to the peace talks, which included a comprehensive demobilization plan, the Colombian military ended a messaging campaign to promote desertion within the FARC.

International and Regional Cooperation: Colombia is a founding member of the Global Counterterrorism Forum and is actively involved in the United Nations, the Organization of American States and its Inter-American Committee Against Terrorism, the Pacific Alliance, and the Union of South American Nations. The CNP operates an INTERPOL office of approximately 90 analysts, agents, and support staff. Colombia also led the creation of the American Police Community (Ameripol) in 2007, and helped found the Latin American and Caribbean Community of Police Intelligence in 2005, whose Technical Secretariat is based in Bogotá.

Colombia is a leader in providing security training and assistance to other countries in the region. The CNP and military continued to operate schools that train security personnel from around the region. In 2016, Colombia conducted 107 security trainings for thousands of non-Colombian individuals on citizen security, crime prevention and monitoring, military and police capacity building, anti-kidnapping, anti-extortion, hostage negotiation, and cybersecurity training. Colombia also provided judicial training to regional judges and prosecutors handling drug trafficking and terrorism cases, offered basic and advanced helicopter training to pilots from countries throughout Latin America, and maintained its elite *Lancero* and *Jungla* Special Forces courses open to students from other countries.

MEXICO

Overview: Counterterrorism cooperation between the Mexican and U.S. governments remained strong. There are no known international terrorist organizations operating in Mexico, no evidence that any terrorist group has targeted U.S. citizens in Mexican territory, and no credible information that any member of a terrorist group has traveled through Mexico to gain access to the United States. In December 2016, Mexican government officials observed on social media an increase in terrorist group sympathizers in its territory over the previous year. The Governments of Mexico and the United States are analyzing this information.

Legislation, Law Enforcement, and Border Security: Mexico has a legal framework for the investigation and prosecution of terrorism and related crimes, including a special prosecutorial unit within the Office of the Attorney General dedicated to such investigations, which pursues open terrorism cases. However, some challenges remain. For instance, joint investigations with the Government of Mexico involve violations under “material support to terrorism” laws, but there was no legal instrument in Mexico to charge individuals with that specific crime in 2016.

The Government of Mexico continued to work towards full implementation of an accusatorial justice system, with varying levels of application across Mexico's 32 states. All states transitioned to the new system before the June 18, 2016 national deadline; however, experts believe full implementation could take a decade or more as Mexico continues its efforts to change its legal culture, law school system, evidentiary standards, courtrooms, and police training. The United States continues to support the transition through the Merida Initiative.

Since 2014, Mexico's border security enforcement capabilities have increased in focus and effectiveness along its southern border to address the surge of migrants from Central America. There has also been an increase in migrants from beyond the region attempting to enter Mexico through its southern border. Mexico's border enforcement efforts are shared among Federal Police, military authorities, and customs and immigration agencies, the latter of which has primary authority to interdict irregular migrants. Corruption sometimes hinders the effectiveness of enforcement efforts.

Counterterrorism monitoring is carried out in airports and at migration stations through a constant review of regular and irregular people flows. Mexican authorities analyze passenger lists against name matches from international organizations and intelligence agencies. Whenever a profile coincides with risk lists, Mexico initiates the alert process. In the case of an INTERPOL Red Notice, the authorities are notified. In other cases they could be denied entry or returned to their country of origin.

The National Institute of Migration (INM) collects and disseminates passenger information for persons who raise terrorism concerns and incorporates INTERPOL watchlists into its database. INM collects limited biographic and biometric data at ports of entry and migration stations.

Mexican and U.S. law enforcement agencies coordinate closely regarding persons who raise terrorism concerns. This primarily involves individuals encountered at the immigration detention facility in Tapachula, Chiapas, and also at international airports. The Government of Mexico is receptive to counterterrorism training opportunities and equipment donations. Mexican officials have the investigative, operational, and tactical skills needed for counterterrorism work due, in part, to frequent counternarcotic operations.

Mexican security agencies track open-source reports, and most recently investigated media reports that terrorist training camps existed in Mexico. In each instance, the media reports were found to be unsubstantiated.

Countering the Financing of Terrorism: Mexico is a member of the Financial Action Task Force (FATF), and the Financial Action Task force of Latin America, a FATF-style regional body (FSRB). Mexico has observer or cooperating status in the following FSRBs: the Caribbean Financial Action Task Force, and the Committee of Experts on the Evaluation of Anti-Money Laundering Measures. Mexico's financial intelligence unit (FIU), Unidad de Inteligencia Financiera, is a member of the Egmont Group of Financial Intelligence Units and proactively shares financial intelligence on shared threats with its U.S. counterpart, the Financial Crimes Enforcement Network.

The Government of Mexico and financial services entities cooperate on terrorist financing legislation and regulations. For example, Mexico established an asset freezing regime that automatically and immediately incorporates listings under the UN Security Council ISIL (Da'esh) and al-Qa'ida sanctions regime into its domestic FIU-issued list.

For further information on money laundering and financial crimes, see the *2017 International Narcotics Control Strategy Report (INCSR), Volume 2, Money Laundering and Financial Crimes*: http://www.state.gov/j/inl/rls/nrcrpt/index.htm.

Countering Violent Extremism: Mexico is beginning to take preventive actions to detect subjects who promote, favor, or facilitate violent Islamist extremism. Mexico also works to detect violent extremist propaganda on the internet.

International and Regional Cooperation: Mexico participates in the Organization of American States Inter-American Committee against Terrorism, which adopted a declaration on "Protection of Critical Infrastructure from Emerging Threats."

PANAMA

Overview: In recent years, the Revolutionary Armed Forces of Colombia (FARC) was the most direct terrorism threat to Panama due to its use of the Darién region of Panama as a staging ground, a rest and recuperation point, and a rearming locale. With limited but consistent U.S. training assistance, Panamanian authorities have substantially eliminated the FARC's ability to operate in the Darién. The conclusion of the Colombian Peace Process with the FARC further reduced the FARC threat in the Darién region.

The Darién region remained a significant and growing pathway for human smuggling. In 2016, Panamanian authorities detained more than 20,000 migrants attempting to or having entered Panama illegally from Colombia; African, South Asian, and Middle Eastern individuals represented a small portion of the overall migrant flow. During the year, Panamanian authorities worked with U.S. authorities to detain and repatriate individuals for whom there were elevated suspicions of links to potential terrorism.

Panama is one of two countries in the hemisphere that joined the Global Coalition to Defeat ISIS. Panama participates in the Defeat-ISIS Coalition's Counter-ISIS Finance Group. Panamanian officials repeatedly reiterated Panama's support for the work of the Coalition.

Legislation, Law Enforcement, and Border Security: Panama has comprehensive counterterrorism legislation and a robust counterterrorism legal framework. Title IX, Chapter 1 of the Panamanian criminal code criminalizes acts of terrorism. Individuals who attempt to disturb the public peace, cause panic, terror, or fear in the population, or a subset thereof, through the use of radioactive materials, weapons, fire, explosives, biological or toxic substances, or any other means of massive destruction or element with that potential, are subject to prison sentences ranging from 20 to 30 years. Panamanian law also sanctions any individual

who knowingly finances, grants, hides, or transfers money, goods, or other financial resources for use in the commission of the above referenced crimes to a period of confinement ranging from 25 to 30 years in prison. Those who use the internet to recruit terrorists or to provide bomb-making instructions are subject to confinement of five to 10 years.

The Government of Panama maintains counterterrorism units within the National Border Service, the National Air-Naval Service, the Panamanian National Police (PNP), Panama's National Security Council, and the Institutional Protection Service, which is responsible for the protection of Panamanian and foreign dignitaries. Short-term, multi-agency task forces have improved inter-service coordination, cooperation, and information sharing, but the country does not have a formal coordinating authority below the Cabinet level.

Panama is a critical financial, transportation, and logistics hub, and the Panama Canal remains its most-critical infrastructure asset. Panama does not maintain a national control list of dual-use goods, and legal interpretations limit the government's ability to analyze and inspect cargo transshipping or transiting the country, including dual-use items.

A key focus of counterterrorism efforts in Panama has been securing its land borders as well as the airports and seaports throughout the country. U.S. Customs and Border Protection (CBP) continued to cooperate with Panamanian authorities at Tocumen International Airport, and has been successful using the linkage between Panama's Advance Passenger Information (API) System and CBP targeting systems. Panama collected nearly 100 percent of API data and actively seeks complete Passenger Name Record (PNR) data. Panama continued to seek agreements with regional partners to enhance API and PNR data, as well as associated migration and criminal derogatory information, to enhance regional security. CBP continued to work with Panamanian authorities to improve its capacity to capture and transmit all API and PNR data. Mobile security teams, including those operating under the CBP Joint Security Program, partner with host country law enforcement officers operating in Tocumen International Airport to identify air passengers linked to terrorism. Panamanian authorities began to screen travelers using a state-of the-art border management system, which has been integrated with existing technologies employed by the Panamanian government to secure national borders.

Countering the Financing of Terrorism: Panama is a member of the Financial Action Task Force of Latin America (GAFILAT), a Financial Action Task Force (FATF)-style regional body. Panama's financial intelligence unit, Unidad de Analisis Financiero (Financial Analysis Unit), is a member of the Egmont Group of Financial Intelligence Units. On July 19, 2016, by Executive Decree 324, Panama created an Antiterrorism Department within the National Security Council responsible for coordinating Panama's counterterrorist financing efforts as well as tracking and coordinating responses to UN Security Council (UNSC) designations. In the same decree, Panama created a new Committee for the Prevention of Terrorism and Terrorist financing responsible for reviewing relevant information to determine whether individuals or entities warrant nomination for inclusion on the UNSC ISIL (Da'esh) and al-Qa'ida sanctions regime sanctions list or if they should be included in Panama's domestic list of terrorists and terrorist financiers. The Committee distributes the lists of the designated individuals and entities electronically. Panama has yet to identify and freeze assets belonging to terrorists or sanctioned individuals and organizations. It has also not prosecuted any terrorist financing cases.

Panama criminalized terrorist financing under multiple laws passed in 2015. Panamanian law permits the freezing, seizure, and confiscation of the instruments and proceeds of criminal enterprises, including money laundering and terrorist financing. Implementing regulations allow for the freezing of assets of persons or entities listed under UN Sanctions regimes, including UNSC ISIL (Da'esh) and al-Qa'ida sanctions regime. It does not; however, provide for the confiscation of property of corresponding value and the application of other measures.

A division of the Ministry of Economy and Finance supervises money transfer services and remittance houses including businesses in the Colon Free Trade Zone, Panama's Diamond and Jewelry Exchange, casinos, money exchangers, real estate brokers, auto dealerships, and other entities. While there is no requirement for non-profit organizations to file suspicious transaction reports, the government does monitor them for suspicious transactions and requires the collection of Know Your Customer data for wire transfers.

For additional information on money laundering and financial crimes, see the *2017 International Narcotics Control Strategy Report (INCSR), Volume II, Money Laundering and Financial Crimes*: http://www.state.gov/j/inl/rls/nrcrpt/index.htm.

Countering Violent Extremism: Panama's principal security initiative, "Barrios Seguros con Más Oportunidades y Mano Firme" (Safe Communities with More Opportunities and a Firm Hand), aims to reduce gang crime and criminality by focusing on vulnerable areas with serious gang problems and by disarming, demobilizing, and reintegrating those gang members into the community. The three-part program includes providing vocational and life skills training (including a religious education component) to reintegrate former gang members, expanding preventative and community policing, and doubling the size of specialized anti-gang units tasked with dismantling the upper echelons of criminal organizations operating in Panama. Panama is in the process of reviewing the program to enhance its ability to target at-risk individuals and communities, and to better respond to the concerns of the populace.

International and Regional Cooperation: Panama is an active participant in UN and regional security initiatives such as the Organization of American States' Inter-American Committee Against Terrorism. Panama and Colombia maintain a bilateral commission that meets on an annual basis to address topics of mutual concern, including illicit migration, narco-trafficking, transnational criminal organizations, and elements of the FARC operating in the region surrounding the shared border.

PARAGUAY

Overview: In 2016, the Government of Paraguay continued its counterterrorism cooperation with the United States. Paraguay continued to face challenges on ineffective immigration, customs, and law enforcement controls along its porous borders, particularly the Tri-Border Area (TBA) with Argentina and Brazil, and its dry border with Brazil from the TBA to Pedro Juan Caballero.

Since 2008, persons claiming to be part of the Paraguayan People's Army (EPP) – a domestic criminal group initially dedicated to a socialist revolution in Paraguay – have been active in the northern departments of Concepcion and San Pedro. The group has been involved in violence designed to intimidate the population and government. The Government of Paraguay believes the EPP to be a small, decentralized group of approximately 20 members. EPP and offshoot groups' activities consisted largely of isolated attacks on remote police and army posts, or against ranchers and peasants accused of collaborating with Paraguayan security services. The Armed Peasants Association, an EPP offshoot, continued to operate at a reduced capacity, following a late 2015 Paraguayan government operation that killed most of the group's leadership. Ranchers and ranch workers in northeastern Paraguay, including members of the Mennonite community, claimed the EPP frequently threatened both their livelihoods and personal security. At the end of 2016, the EPP allegedly held four high-profile hostages, including Mennonite Franz Weibe, kidnapped in 2016; rancher Felix Urbieta, kidnapped in 2016; Abrahan Fehr Banman, kidnapped in 2015; and former Paraguayan National Police official Edelio Morinigo Florenciano, kidnapped in 2014.

2016 Terrorist Incidents: The EPP conducted several high profile operations involving kidnapping, killings, and sabotage:

- In July, alleged EPP members kidnapped 17-year-old Mennonite Franz Weibe, burned his family's property, and left a pamphlet demanding ransom at Estancia La Yeya, Santa Rosa del Aguaray, San Pedro Department. The teenager was reportedly still in EPP custody at year's end.
- In August, alleged EPP members ambushed and killed eight Paraguayan military personnel with improvised explosive devices, and stole weapons and equipment in Arroyito, Concepcion Department.
- In September, alleged EPP members kidnapped four ranch workers, leaving pamphlets and other media in Azotey, Concepcion Department. The workers were later released.
- In October, alleged EPP members kidnapped cattle businessman Felix Urbieta in Horqueta, Concepcion Department. At the end of 2016, the businessman was reportedly still in EPP custody.
- In December, alleged EPP members attacked and burned equipment at Estancia Paso Ita, Tacuati, San Pedro Department.

Legislation, Law Enforcement, and Border Security: Paraguay pursued individuals suspected of terrorist crimes under laws passed in 2010 and 2011. The Paraguayan government continued to make use of a 2013 counterterrorism law that allows for the domestic deployment of the Paraguayan military to counter internal or external threats. Counterterrorism functions are handled by the Paraguayan National Police Secretariat for the Prevention and Investigation of Terrorism. Military forces and police officials continued to operate jointly in the San Pedro, Concepcion, and Amambay departments against the EPP, with limited success.

The Tri-Border Area continued to be attractive to individuals seeking to engage in terrorist financing, as the minimal police and military presence along these borders allowed for a largely unregulated flow of people, licit and illicit goods, and money. Paraguay's efforts to provide more effective law enforcement and border security were hampered by a lack of interagency

cooperation and information sharing, as well as pervasive corruption within security, border control, and judicial institutions.

Paraguay continued to participate in the State Department's Antiterrorism Assistance program, as part of a tri-border regional program; other U.S. government agencies also contributed to building Paraguay's counterterrorism law enforcement capacity

Countering the Financing of Terrorism: Paraguay is a member of the Financial Action Task Force of Latin America, a Financial Action Task Force-style regional body, and Paraguay's Financial Intelligence Unit is a member of the Egmont Group of Financial Intelligence Units. Paraguay has counterterrorist financing legislation and the ability to freeze without delay and confiscate terrorist assets, although there were no terrorist financing convictions or actions to freeze in 2016.

Concerted law enforcement efforts to implement anti-money laundering laws and laws countering the financing of terrorism were lacking. Significant quantities of money are laundered through businesses and financial institutions or moved in cash. The Paraguayan government registers and has reporting requirements for non-governmental organizations (NGOs) – including non-profit organizations – and requires NGOs to set up internal monitoring and training regimes to guard against criminal or terrorist financing. Paraguay requires the collection of data for wire transfers.

For further information on money laundering and financial crimes, see the *2017 International Narcotics Control Strategy Report (INCSR), Volume 2, Money Laundering and Financial Crimes*: http://www.state.gov/j/inl/rls/nrcrpt/index.htm.

Countering Violent Extremism: While the Paraguayan Minister of Foreign Affairs spoke in September on the need to counter violent extremism around the world, Paraguay currently has no program to counter violent extremism

International and Regional Cooperation: Paraguay participates in Organization of American States and its Inter-American Committee Against Terrorism, and the Union of South American Nations. Paraguay continued to collaborate with Brazil and Argentina on border protection initiatives, regional exchanges, and discussions on counterterrorism and law enforcement projects.

PERU

Overview: The Shining Path (Sendero Luminoso or SL) constituted a continuing threat in 2016 to Peru's internal security in a localized zone. SL's membership consisted of a single active faction, whose area of activity and influence was confined to the special military emergency zone known as the Apurimac, Ene, and Mantaro River Valley (VRAEM) – a remote and rugged region slightly larger than Switzerland which accounts for more than one-half of the cocaine produced in Peru. Within the VRAEM, SL has retreated to its stronghold north of the Mantaro River. Estimates of SL's strength vary, but most experts and the Peruvian military assess SL to number 250 to 300 members of which 60 to 150 are hardcore fighters.

To sustain itself, SL is involved in all logistical aspects of drug trafficking in its area of influence: it collects "revolutionary taxes" from those involved in the drug trade, and for a price, provides security and transports narcotics for drug trafficking organizations. SL continued to use Maoist ideology to justify its illegal activities and opposition to the Peruvian state. It staged its most significant attack this year during the first round of Peru's 2016 elections, an ambush that resulted in 10 deaths. Beyond this high profile attack, SL conducted a limited number of operations in 2016. We received reports indicating a slight uptick in threats against political figures in Peru's remote provinces and SL propaganda outside of the VRAEM.

In October, President Pedro Pablo Kuczynski assigned primary authority in the VRAEM Emergency Zone to the Ministry of Defense, instructing the military to counter narco-terrorism and work with the Ministry of Interior on counternarcotics operations.

SL founder Abimael Guzman and key accomplices remain in prison serving life sentences for numerous crimes committed in the 1980s and 1990s. Two top SL leaders – Osman Morote and Margot Liendo – completed their 25-year sentences in June 2013, but were still in jail at the end of 2016. Morote was the second in command of SL, and Liendo led the SL faction that operated in the provinces north of Lima before their arrest in June 1988. These individuals remain in prison pending trials for other crimes committed in the 1980s. Many SL leaders were convicted of crimes long before Congress approved new legislation allowing for life sentences. Guzman and other captured SL figures from 1980s and 1990s are no longer associated with the active SL group in the VRAEM emergency zone.

2016 Terrorist Incidents: Attacks included:

- On April 9, SL ambushed a military patrol near the municipality of Matichacra, located in the Junín region's Santo Domingo de Acobamba district. The attack resulted in the death of eight soldiers and two civilian drivers; five soldiers suffered injuries. The ambush occurred as the patrol was traveling to provide security at polling places for the April 10 general elections.
- On April 9, SL attacked a naval patrol on the Apurímac River in Ayacucho region's Huanta province, injuring two Peruvian Marines.
- On August 1, media reported that alleged narco-terrorists attacked a military base in the Mazamari district of the Junín region, injuring one soldier. A handful of similar sniper attacks against military patrols occurred throughout 2016.

Legislation, Law Enforcement, and Border Security: Over the past three decades, Peru has promulgated a variety of laws specifically designed to counter terrorism. These measures have broad political and public support. On February 16, the president signed legislative decree 1180, which authorizes compensation to citizens who provide information that leads to the capture of members of criminal or terrorist organizations.

Peruvian police and military counterterrorism units continued to capture SL fighters, recover weapons, and prevent terrorist incidents during the year.

The most significant Peruvian government actions against SL this year were the following:

- On May 19, police officers prevented SL fighters from destroying electricity towers in the Huanta province of Ayacucho region. After forcing the SL fighters to retreat, police deactivated the explosives left near the towers.
- On May 20, a military-police patrol in the district of Llochegua in the Ayacucho region killed Alejandro Auqui in a clash with an SL column. The military reported that Auqui, who served as an SL commander, had taken part in 13 Shining Path attacks, including shooting down helicopters in 2010 and 2012. The military captured weapons, ammunition, and communications equipment during the operation.
- The Counter-Terrorism Directorate of the National Police reported the arrest of 23 alleged terrorists in a multi-region operation launched ahead of the June 5 run-off presidential election. Antonia Paucarcaja, a.k.a. Comrade Esther, was among those arrested. Experts considered her an important SL logistics coordinator.

On border security, immigration authorities collected limited biometrics information from visitors. Citizens of neighboring countries were allowed to travel to Peru by land using only national identification cards. There was no visa requirement for citizens of most countries from Western, Central, and Eastern Europe, as well as Mexico. Peruvian immigration authorities used a database called "Movimiento Migratorio" at 18 points of entry to track entries and exits of travelers. This database also connects to the Peruvian National Police's database to flag outstanding arrest warrants. The Government of Peru collaborated with U.S. Customs and Border Protection on the use of traveler information to enhance security by determining and mitigating traveler risk prior to arrival and departure. In July, the Government of Peru started to issue biometric passports with upgraded security measures to Peruvian citizens.

In October 2014, Peruvian police arrested Muhammad Ghaleb Hamdar, a Lebanese citizen suspected of links to Hizballah. According to reports, there was residue and traces of explosives in Hamdar's apartment. In April 2016, a judge extended Hamdar's period of pre-trial detention another 15 months. In October, the First Criminal Superior Public Attorney requested a 30-year prison sentence for Hamdar on charges of terrorism and document forgery. Hamdar remained in pretrial detention at the end of 2016.

Countering the Financing of Terrorism: Peru is a member of the Financial Action Task Force of Latin America, a Financial Action Task Force (FATF)-style regional body. The Financial Intelligence Unit of Peru is also a member of the Egmont Group of Financial Intelligence Units. The President of Peru's Financial Intelligence Unit was appointed Chair of the Egmont Group of Financial Intelligence Units for the period 2015-2017. Under Decree Law 25475, Peru criminalizes any form of collaboration with terrorists, including economic collaboration.

In 2016, the Government of Peru made progress in implementing its national plan to counter money laundering and the financing of terrorism. In May, Peru approved Law 30437 which gives the FIU the authority to immediately seize assets belonging to organizations and individuals included on the UN Security Council ISIL (Da'esh) and al-Qa'ida sanctions list. The Government of Peru issued a decree on November 26, resolving one of the main liabilities in Peru's anti-money laundering legal framework. The law improves the FIU's access to bank and

tax information, establishes greater control over reporting entities, and enables money-laundering cases to be tried absent proof of a predicate crime. The new administration moved the previously independent Peruvian seized assets agency back into the Ministry of Justice in 2016, reducing this organization's agility and efficiency.

SL's ability to sustain itself and finance its terrorist and other criminal actions depends on profits from drug trafficking activities. SL narcotics proceeds enter the VRAEM as bulk, physical dollars from neighboring countries via the same aircraft used to transport cocaine out of the region (commonly known as the "air bridge"). To address this issue, the PNP's 15-person specialized unit that focuses on investigating SL financing continued its work in 2016.

For further information on money laundering and financial crimes, see the *2017 International Narcotics Control Strategy Report, Volume II, Money Laundering and Financial Crimes*: http://www.state.gov/j/inl/rls/nrcrpt/index.htm.

Countering Violent Extremism: The Government of Peru stressed the importance of heavily investing in the VRAEM as a means of ending the relationship between VRAEM residents and SL. Since 2007, the Peruvian government has provided the equivalent of approximately $6 billion to districts and regions in the VRAEM to pave roads, provide basic health and education services, and establish a greater state presence. The Government of Peru's new VRAEM strategy remained under development at the close of 2016.

International and Regional Cooperation: Peru participates in counterterrorism activities in international and regional organizations, including the United Nations, Organization of American States and its Inter-American Committee Against Terrorism, and the Union of South American Nations.

TRINIDAD AND TOBAGO

Overview: In 2016, Trinidad and Tobago focused on national security. The Trinidadian government remained a willing U.S. counterterrorism partner and quickly accepted offers of assistance to share border security information, develop a strategy to counter violent extremism, and prosecute terrorists. While there were no known indigenous or foreign terrorist groups operating in Trinidad and Tobago, the country had the highest per capita rate of ISIS recruitment in the Western Hemisphere.

Trinidad's government reported in 2015 that more than 100 Trinidadian nationals, including women and minors, had traveled to Syria and Iraq. A handful have reportedly returned to Trinidad and Tobago. Muslims make up about 6 percent of the population, roughly split between persons of African and South Asian heritage; foreign terrorist fighters reportedly come from both communities. Many, although not all, have had prior affiliations with criminal gangs.

An inter-agency National Counterterrorism Working Group, led by the Ministry of National Security, is working on a national counterterrorism strategy to address priorities and principles. The group meets on a regular basis to: (1) detect, deter, and disrupt any possible

terrorist actions; (2) prevent a terrorist act in Trinidad and Tobago; and (3) identify and prosecute terrorists. The national strategy is in its final stages and will be submitted to the Cabinet for approval when it is completed.

Legislation, Law Enforcement, and Border Security: Trinidad and Tobago continued to review the 2005 Anti-Terrorism Act to address gaps in the legislation, including foreign terrorist fighters and their possible return to the country.

Trinidad and Tobago, with the assistance of certain police units and government sections, continued to identify and monitor persons that raise terrorism concerns and maintained a list of nationals who traveled to Syria or Iraq to fight with ISIS. More than 70 nationals of Trinidad and Tobago are believed to be fighting with ISIS in Syria.

There was limited interagency cooperation and coordination, and limited information sharing due to allegations of corruption among different law enforcement units. Prosecutors are consulted on an ad hoc basis with regard to criminal cases.

Biographic and biometric screening capabilities are limited at ports of entry. Trinidad and Tobago collects advance passenger information and disseminates this information to other countries.

The defense force is responsible for the security of the coastline spanning the two islands and assists law enforcement in combating transnational crime. Both the defense and police forces are limited in human and material resources to meet strategic security challenges.

The government continued to cooperate with the United States on security matters, including participation in the Department of State's Antiterrorism Assistance program, which provides counterterrorism training for police, and a Caribbean Basin Security Initiative program that focus on training the police and military forces to ensure citizen security.

Countering the Financing of Terrorism: Trinidad and Tobago is a member of the Caribbean Financial Action Task Force, a Financial Action Task Force-style regional body. The Financial Intelligence Unit of Trinidad and Tobago (FIU) is a member of the Egmont Group of Financial Intelligence Units.

In June, FATF published its mutual evaluation of Trinidad and Tobago. Trinidad and Tobago has criminalized the offense of terrorist financing; however, there remain several deficiencies in its anti-money laundering/countering the financing of terrorism framework that Trinidad and Tobago is working to address. This includes a limited use of financial intelligence; an inadequate sanctions framework with no provisions for prohibiting material support to terrorists; no policy in place for the management, monitoring, and supervision of non-profit organizations; and a lack of terrorist financing prosecutions.

In September, Trinidad and Tobago designated 80 international and local entities as terrorist organizations, including ISIS. Of the 80 listed, only one, Kareem Ibrahim, was local. The government continued to work with the FIU and the police to add more local subjects to the list.

A separate report, from Trinidad and Tobago's FIU, cited 182 suspicious transactions involving possible terrorist financing in 2016, all of which were under investigation at year's end.

For further information on money laundering and financial crimes, see the *2017 International Narcotics Control Strategy Report, Volume II, Money Laundering and Financial Crimes*: http://www.state.gov/j/inl/rls/nrcrpt/index.htm.

Countering Violent Extremism: The government has not developed a national countering violent extremism (CVE) strategy. There have been some efforts in the prevention of crime and anti-violence programs for at-risk youth, however, which include community law enforcement partnerships. In June 2016, leaders from Trinidad and Tobago's Islamic community signed a joint statement condemning violent extremism. The statement read: "The Muslims of the Republic of Trinidad and Tobago, with one voice, strongly condemn ISIS and all forms of violent extremism locally and internationally."

International and Regional Cooperation: Trinidad and Tobago is an active participant in regional security initiatives such as the Organization of American States Inter-American Committee Against Terrorism and the Caribbean Community Implementing Agency for Crime and Security.

VENEZUELA

Overview: In May 2016, for the eleventh consecutive year, the Department of State determined, pursuant to section 40A of the Arms Export Control Act, that Venezuela was not cooperating fully with U.S. counterterrorism efforts. There were credible reports that Venezuela maintained a permissive environment that allowed for support of activities that benefited known terrorist groups. Individuals linked to the Revolutionary Armed Forces of Colombia (FARC), the National Liberation Army, and Basque Fatherland and Liberty (ETA) were present in Venezuela, as well as Hizballah supporters and sympathizers.

Separately, the Venezuelan government took no action against senior Venezuelan government officials who have been designated under the Foreign Narcotics Kingpin Designation Act by the U.S. Department of the Treasury, for materially assisting the narcotics-trafficking activities of the FARC or for acting for or on behalf of the FARC, often in direct support of its narcotics and arms trafficking activities.

Legislation, Law Enforcement, and Border Security: The Venezuelan criminal code and Venezuelan laws explicitly criminalize terrorism and dictate procedures for prosecuting individuals engaged in terrorist activity. The government routinely levies accusations of "terrorism" against its political opponents. Following a wave of anti-government protests in 2014, the Venezuelan government introduced a series of counterterrorism laws intended to suppress future public demonstrations.

Some Venezuelan military and civilian agencies perform counterterrorism functions. Within the Venezuelan armed forces, the General Directorate of Military Counterintelligence and the

Command Actions Group of the National Guard have primary counterterrorism duty. The Bolivarian National Intelligence Service and the Division of Counterterrorism Investigations in the Bureau of Scientific, Penal, and Criminal Investigative Corps within the Ministry of Interior, Justice, and Peace have primary civilian counterterrorism responsibilities. The degree of interagency cooperation and information sharing among agencies is unknown due to a lack of government transparency.

Border security at ports of entry was vulnerable and susceptible to corruption. The Venezuelan government routinely did not perform biographic or biometric screening at ports of entry or exit. There was no automated system to collect advance passenger name records on commercial flights or to cross-check flight manifests with passenger disembarkation data.

In July, Syrian national Jihad Diyab, who had been relocated to Uruguay following his 2014 release from Guantanamo Bay, traveled to Caracas with the perceived intention of continuing onward to Turkey to reunite with his family. He was detained by Venezuelan authorities in late July and deported back to Uruguay.

Venezuela did not respond to a 2015 request from the Spanish government to extradite former ETA member José Ignacio de Juana Chaos, who served 21 years in prison for his role in the killing of 25 people in a series of terrorist attacks. De Juana Chaos has been wanted in Spain since 2010 on charges of "glorifying terrorism."

Countering the Financing of Terrorism: Venezuela is a member of the Caribbean Financial Action Task Force, a Financial Action Task Force-style regional body; and its financial intelligence unit, Unidad Nacional de Inteligencia Financiera, is a member of the Egmont Group of Financial Intelligence Units.

Venezuela's existing anti-money laundering/counterterrorist financing legal and regulatory framework criminalizes the financing of terrorism and includes obligations for suspicious transaction reporting. There remained; however, significant deficiencies in the terrorist asset freezing regime, including a lack of adequate procedures to identify and freeze terrorist assets.

There was no publicly available information regarding the confiscation of terrorist assets in 2016. For further information on money laundering and financial crimes, see the *2017 International Narcotics Control Strategy Report (INCSR), Volume 2, Money Laundering and Financial Crimes*: http://www.state.gov/j/inl/rls/nrcrpt/index.htm.

Regional and International Cooperation: Venezuela participated as an official observer in peace negotiations between the Colombian government and the FARC. Venezuelan and Colombian foreign ministers met several times throughout the year to address the reduction of smuggling of illegal goods, narcotics trafficking, and the activity of illegally armed groups.

Chapter 3
State Sponsors of Terrorism

To designate a country as a State Sponsor of Terrorism, the Secretary of State must determine that the government of such country has repeatedly provided support for acts of international terrorism. Once a country is designated, it remains a State Sponsor of Terrorism until the designation is rescinded in accordance with statutory criteria. A wide range of sanctions are imposed as a result of a State Sponsor of Terrorism designation, including:

- A ban on arms-related exports and sales;
- Controls over exports of dual-use items, requiring 30-day Congressional notification for goods or services that could significantly enhance the terrorist-list country's military capability or ability to support terrorism;
- Prohibitions on economic assistance; and
- Imposition of miscellaneous financial and other restrictions.

State Sponsor of Terrorism designations can be rescinded pursuant to two alternative paths.

One path requires that the President submit a report to Congress before the proposed rescission would take effect certifying that:

- There has been a fundamental change in the leadership and policies of the government of the country concerned,
- The government is not supporting acts of international terrorism, and
- The government has provided assurances that it will not support acts of international terrorism in the future.

The other path requires that the President submit a report to Congress, at least 45 days before the proposed rescission would take effect, justifying the rescission and certifying that:

- The government concerned has not provided any support for international terrorism during the preceding six-month period, and
- The government concerned has provided assurances that it will not support acts of international terrorism in the future.

This report provides a snapshot of events during 2016 relevant to countries designated as State Sponsors of Terrorism; it does not constitute a new announcement regarding such designations. More information on State Sponsor of Terrorism designations may be found at http://www.state.gov/j/ct/c14151.htm.

IRAN

Designated as a State Sponsor of Terrorism in 1984, Iran continued its terrorist-related activity in 2016, including support for Hizballah, Palestinian terrorist groups in Gaza, and various groups in Syria, Iraq, and throughout the Middle East. Iran used the Islamic Revolutionary Guard Corps-Qods Force (IRGC-QF) to implement foreign policy goals, provide cover for intelligence operations, and create instability in the Middle East. Iran has acknowledged the involvement of the IRGC-QF in the conflicts in Iraq and Syria and the IRGC-QF is Iran's primary mechanism for cultivating and supporting terrorists abroad.

In 2016, Iran supported various Iraqi Shia terrorist groups, including Kata'ib Hizballah, as part of an effort to fight ISIS in Iraq and bolster the Assad regime in Syria. Iran views the Assad regime in Syria as a crucial ally and Syria and Iraq as crucial routes to supply weapons to Hizballah, Iran's primary terrorist partner. Iran has facilitated and coerced, through financial or residency enticements, primarily Shia fighters from Afghanistan and Pakistan to participate in the Assad regime's brutal crackdown in Syria. Iranian-supported Shia militias in Iraq have committed serious human rights abuses against primarily Sunni civilians and Iranian forces have directly backed militia operations in Syria with armored vehicles, artillery, and drones.

Since the end of the 2006 Israeli-Hizballah conflict, Iran has supplied Hizballah with thousands of rockets, missiles, and small arms, in direct violation of UN Security Council resolution (UNSCR) 1701. Iran provides the majority of financial support for Hizballah in Lebanon and has trained thousands of its fighters at camps in Iran. Hizballah fighters have been used extensively in Syria to support the Assad regime and in support of operations against ISIS in Iraq. Hizballah also carried out several attacks against Israeli Defense Forces in 2016 along the Lebanese border with Israel.

Iran has historically provided weapons, training, and funding to Hamas and other Palestinian terrorist groups, including Palestine Islamic Jihad and the Popular Front for the Liberation of Palestine-General Command. These Palestinian terrorist groups have been behind a number of deadly attacks originating in Gaza and the West Bank, including attacks against Israeli civilians and Egyptian security forces in the Sinai Peninsula.

Iran has provided weapons, funding, and training to Bahraini militant Shia groups that have conducted attacks on the Bahraini security forces. On January 6, 2016, Bahraini security officials dismantled a terrorist cell, linked to IRGC-QF, planning to carry out a series of bombings throughout the country.

The Iranian government maintains a robust cyberterrorism program and has sponsored cyberattacks against foreign government and private sector entities.

Iran remained unwilling to bring to justice senior al-Qa'ida (AQ) members it continued to detain and has refused to publicly identify the members in its custody. Since at least 2009, Iran has allowed AQ facilitators to operate a core facilitation pipeline through the country, enabling AQ to move funds and fighters to South Asia and Syria.

SUDAN

Sudan was designated as a State Sponsor of Terrorism in 1993 due to concerns about support to international terrorist groups, including the Abu Nidal Organization, Palestine Islamic Jihad, Hamas, and Hizballah. Notwithstanding this history, countering terrorism is today a national security priority for Sudan, and Sudan is a cooperative partner of the United States on counterterrorism, despite its continued presence on the State Sponsors of Terrorism List. During the past year, the Government of Sudan continued to pursue counterterrorism operations alongside regional partners, including operations to directly counter threats to U.S. interests and personnel in Sudan. Sudan takes seriously the threat posed by ISIS, and in September 2016, the U.S. government acknowledged the Government of Sudan's significant efforts to counter ISIS and other terrorist groups and to prevent their movement into and through Sudan. Earlier, in June 2016, a senior U.S. official praised Sudan for its counterterrorism efforts as well.

There were no reported terrorist attacks in Sudan in 2016. There also were no indications that the Sudanese government tolerated or assisted terrorist organizations within its borders in 2016. Reports indicate that the Government of Sudan ceased providing Hamas any direct support as they did in years past.

As a result of a U.S. engagement plan with the Government of Sudan in 2016 that offered potential economic sanctions relief if Sudan took positive actions in a number of areas – including enhanced counterterrorism cooperation – the Sudanese government has taken steps to improve its counterterrorism efforts through enhanced interagency and international cooperation to address the ISIS threat.

SYRIA

Designated in 1979 as a State Sponsor of Terrorism, the Assad regime continued its political and military support to a variety of terrorist groups affecting the stability of the region as the Syrian conflict entered its sixth year. The regime continued to provide political and weapons support to Hizballah and continued to allow Iran to rearm the terrorist organization. The Assad regime's relationship with Hizballah and Iran grew stronger in 2016 as the regime became more reliant on external actors to militarily fight the Syrian opposition. These groups played a critical role in the regime's seizure of eastern Aleppo in December. President Bashar al-Assad remained a staunch defender of Iran's policies, while Iran exhibited equally energetic support for the Syrian regime. Statements supporting terrorist groups, particularly Hizballah, were often in Syrian government speeches and press statements.

Over the past decade, the Syrian government has played an important role in the growth of terrorist networks in Syria through the Asad regime's permissive attitude towards al-Qa'ida and other terrorist groups' foreign terrorist fighter facilitation efforts during the Iraq conflict. Syria served for years as a hub for foreign terrorist fighters, and the Syrian government's awareness and encouragement for many years of violent extremists' transit through Syria to enter Iraq for the purpose of fighting Coalition troops, is well documented. Those very networks were among the violent extremist elements which terrorized the Syrian and Iraqi populations in 2016. While there was a general decline in the flow of Sunni extremist linked foreign terrorist fighters

traveling to Syria in 2016, ISIS and other terrorist groups continued to attract some new recruits to Syria. Additionally, foreign terrorist fighters aligned with Iran continued to travel to Syria to fight for or with the regime.

As part of a broader strategy during the year, the regime portrayed Syria itself as a victim of terrorism, characterizing all of the internal armed opposition as "terrorists." From Syria, ISIS plotted or inspired external terrorist operations. Additionally, the Syrian regime has purchased oil from ISIS through various middlemen, adding to the terrorist group's revenue.

Syria is not in compliance with its obligations under the Chemical Weapons Convention (CWC). The United States assesses that Syria has used chemical weapons repeatedly against the Syrian people every year since acceding to the Convention, and is therefore in violation of its obligations under Article I of the CWC. There have been numerous reports of chemical weapons use by the regime during the current conflict. In 2015 the UN Security Council established the Organization for the Prohibition of Chemical Weapons -UN Joint Investigative Mechanism (JIM) to identify individuals, entities, groups or governments involved in the confirmed uses of chemical weapons in Syria. In 2016, the JIM issued two reports which concluded that the Syrian Arab Armed Forces used toxic chemicals as weapons, likely chlorine, three times in Syria in opposition held areas.

Chapter 4
The Global Challenge of Chemical, Biological, Radiological, or Nuclear (CBRN) Terrorism

Preventing the proliferation of chemical, biological, radiological, and nuclear (CBRN) weapons has been a top U.S. national security priority for decades. The past decade has seen a growing recognition that we must also be vigilant in preventing terrorist groups from obtaining the means and methods to acquire, develop, and/or deploy CBRN weapons. Thus, our strategic counterterrorism posture is strengthened by counter and nonproliferation programs that aim to reduce or eliminate CBRN material produced and stored by states; restrict the diversion of materials and expertise for illicit use; and prevent the trafficking of CBRN weapons and related material. While efforts to secure CBRN material across the globe have been largely successful, the illicit trafficking of these materials persists.

Utilization of CBRN materials and expertise remained a terrorist threat, as demonstrated by terrorists' stated intent to acquire, develop, and use these materials; the nature of injury and damage these weapons can inflict; the ease with which information on these topics now flows; and the dual-use nature of many relevant technologies and material. As evidence of this challenge, the third report of the Organisation for the Prohibition of Chemical Weapons-UN Joint Investigative Mechanism found that ISIS was responsible for a sulfur mustard attack in Marea, Syria on August 21, 2015. Given the well-understood ISIS interest and intent in CBRN capabilities, the United States has been working proactively to disrupt and deny ISIS's (and other non-state actors') CBRN capabilities.

A number of international partnerships have either the explicit or the implicit purpose of countering the CBRN threat from terrorists and other non-state actors. Organizations and initiatives, as well as international conventions and export control regimes, concerned with chemical and biological weapons use focus on: efforts to reduce or eliminate stockpiles of material; regulate the acquisition of dual-use technology and regulate trade of specific goods; mandate that states' parties enact national implementing legislation, including penal legislation; and provide assistance against the use or threat of use. International nuclear and radiological initiatives and programs focus on promoting peaceful uses of nuclear material and technology, safeguarding materials and expertise against diversion, and countering the smuggling of radioactive and nuclear material. The United States routinely provides technical and financial assistance and training to partner nations to help strengthen their abilities to adequately protect and secure CBRN-applicable expertise, technologies, and material. U.S. participation within and contribution to these groups, is vital to ensuring our continued safety from the CBRN threat.

Nuclear Security Summits: The four Nuclear Security Summits (2010, 2012, 2014, and 2016) have garnered leader-level commitments to advance concrete plans and actions to achieve key nuclear security goals, including minimizing the use of highly enriched uranium, bolstering security at nuclear facilities, enhancing membership in key international instruments and organizations, and instituting measures to detect and prevent illicit trafficking in nuclear and other radioactive materials. Nations made joint commitments related to countering nuclear smuggling, mitigating insider threats, radioactive source security, information security, transportation security, and many other topics. Leaders at the fourth and final Summit in 2016 established Action Plans to strengthen nuclear security objectives in the United Nations, the

International Atomic Energy Agency, INTERPOL, the Global Initiative to Combat Nuclear Terrorism, and the Global Partnership Against the Spread of Weapons and Materials of Mass Destruction and created a Nuclear Security Contact Group to ensure continued progress.

G-7 Global Partnership: The Global Partnership Against the Spread of Weapons and Materials of Mass Destruction (GP) was launched at the 2002 G8 Summit in Kananaskis, Canada to prevent terrorists, or states that support them, from acquiring or developing weapons of mass destruction. It was extended in 2011 and remains a vital forum for donor coordination and funding on capacity-building in nuclear and radiological, chemical, and biological security worldwide. To date, the Global Partnership has allocated well more than US $22 billion toward this effort. Highlights for 2016 included the submission of formal GP statements outlining support for the UNSCR 1540 Comprehensive Review, the Global Health Security Agenda Ministerial, the Biological Weapons Convention Inter-Sessional Work Program Review Conference, and the International Atomic Energy Agency's Nuclear Security Ministerial, as well as implementation of an Action Plan instituted at the 2016 Nuclear Security Summit.

The Proliferation Security Initiative (PSI): Launched in 2003, the PSI has increased international awareness and capability to address the challenges associated with stopping the trafficking of weapons of mass destruction (WMD), WMD-related components, and their means of delivery. The PSI remains an important tool in the global effort to combat CBRN material transfers to both state and non-state actors of proliferation concern. Since its launch, 105 states have endorsed the PSI Statement of Interdiction Principles, by which states commit to take specific actions, consistent with their respective national legal authorities and relevant international law and frameworks, to support efforts to prevent the trafficking of WMD, related materials and their delivery systems. In 2016, there were 13 bilateral and multilateral activities designed to promote and exercise the Critical Capabilities and Practices to help ensure WMD do not fall into the hands of state and non-state actors of proliferation concern.

UN Security Council Resolution 1540: In 2016, the United States was actively engaged in strengthening implementation of UN Security Council resolution (UNSCR) 1540 (2004) through partnerships with other UN member states and international and regional organizations. The United States also continued to strongly support the 1540 Committee, which has become a part of the international framework to control proliferation of nuclear, chemical, and biological weapons and their means of delivery to non-state actors. In support of the second comprehensive review of the implementation of the resolution, the United States submitted 25 proposals to the 1540 Committee – by far the most of any contributor. The majority of the U.S. proposals were included in the final report of the second comprehensive review, which was endorsed in UNSCR 2325 (2016). The report and the new resolution will add to the urgency, relevance, and effective implementation of UNSCR 1540 (2004).

The Global Initiative to Combat Nuclear Terrorism (GICNT): The GICNT, which is co-chaired by the United States and Russia, is an international partnership of 86 nations and five official observer organizations dedicated to strengthening global capacity to prevent, detect, and respond to a nuclear terrorist event. Partners engage in multilateral activities and exercises designed to raise awareness of the threat of terrorist use of nuclear and radioactive materials, and to provide opportunities for countries to share information, expertise, and best practices in a

voluntary, non-binding framework. Since it was launched in 2006, the GICNT has held more than 80 multilateral activities, produced seven important foundational guidelines documents, and developed a body of best practices that have all served to uplift national capacities. In 2016, partner nations hosted eight multilateral activities under the auspices of GICNT across the areas of nuclear forensics, nuclear detection, and emergency preparedness and response. The GICNT also commemorated its tenth anniversary with a senior-level meeting in The Hague June 15-16, 2016, which underscored the GICNT's lasting durability and its unique role in the global nuclear security architecture.

Nuclear Trafficking Response Group (NTRG): The NTRG is an interagency group focused on coordinating the U.S. government response to incidents of illicit trafficking in nuclear and radioactive materials, including radiation alarms that occur in foreign countries. Elements of the NTRG work with foreign governments to secure smuggled nuclear material, prosecute those involved, and develop information on smuggling-related threats, including potential links between smugglers and terrorists. The Department of State chairs the NTRG, which includes representatives from the U.S. government's nonproliferation, law enforcement, and intelligence communities.

Counter Nuclear Smuggling Program (CNSP): Securing dangerous radioactive and nuclear materials in illegal circulation before they reach the hands of terrorists or other malicious actors is critical to U.S. national security and that of U.S. allies. Using CNSP funds, the Department of State conducts outreach and programmatic activities with key governments to enhance their counter nuclear smuggling capabilities. Bilateral Joint Action Plans developed and implemented with 14 partner governments identify strategies to improve the partners' abilities to prevent, detect, and respond to nuclear and radiological smuggling attempts. As part of these Joint Action Plans, the United States commits to seek U.S. and foreign donor assistance to address needs outside the capacity of the partner nation. In 2016, more than US $80 million in foreign donations had enabled implementation of Joint Action Plan-identified actions.

Through workshops and engagement activities, the Department of State uses CNSP funds to facilitate the integration of law enforcement, intelligence, and technical capabilities to counter nuclear smuggling. More broadly, CNSP programmatic support has enabled more than 20 partner nations to address goals that include enhancing nuclear smuggling response procedures, improving nuclear forensics capabilities, and enabling the successful prosecution of smugglers, while helping partners build cross-border and regional cooperation to counter nuclear smuggling.

Export Control and Related Border Security (EXBS) Program: Through the EXBS Program, the Department of State leads the interagency effort to strengthen adherence to nonproliferation norms by helping to build effective national strategic trade control and border security systems in countries that produce or supply strategic items as well as in key transit and transshipment hubs. EXBS works in 67 partner countries to improve national capabilities to regulate trade in sensitive items and prevent irresponsible transfers that may contribute to proliferation; detect and interdict illicit trafficking in proliferation-sensitive items at and between ports of entry by targeting high-risk shipments; investigate and prosecute violations of strategic trade control laws and regulations; and build and sustain a community of policymakers and

technical experts committed to meeting international nonproliferation obligations and implementing effective strategic trade controls.

In 2016, the EXBS Program oversaw more than 435 bilateral, regional, and international activities to promote the adoption, implementation, and enforcement of comprehensive strategic trade controls and trained more than 2,100 foreign officials. These activities improve the capability of partner countries to prevent the transfers of dual-use items and conventional weapons that contribute to proliferation, terrorism, or regional instability and include training on state-of-the-art detection, inspection, and interdiction equipment to detect, deter, and interdict illicit smuggling of radioactive and nuclear materials, weapons of mass destruction components, and other weapons-related items at air, land, sea, and rail borders.

EXBS works with and complements the Department of Defense's International Counter-Proliferation Program and Cooperative Threat Reduction Program; the Department of Homeland Security's Container Security Initiative, the Department of Energy's International Nonproliferation Export Control Program and Office of Nuclear Smuggling, Detection, and Deterrence (NSDD); and the State Department's Antiterrorism Assistance Program and International Narcotics and Law Enforcement assistance programs, as well as other international donor assistance programs. The EXBS Program fulfills important U.S. and international commitments helping partner countries fulfill their international obligations and commitments, including those related to UN Security Council resolution 1540 (2004) and adherence to the guidelines of multilateral export control regimes.

Nuclear Smuggling Detection and Deterrence (NSDD): The U.S. Department of Energy's National Nuclear Security Administration, Office of Nuclear Smuggling Detection and Deterrence (formerly known as Second Line of Defense) collaborates with partner countries to build their capacity to deter, detect, and investigate illicit trafficking of nuclear and other radioactive materials. NSDD's assistance to partner countries' national nuclear detection architecture is commensurate with regional threat and country-specific infrastructure and, accordingly, can include deployments of radiation detection technologies for use at land border crossings, airports, seaports, and tactical interior locations. NSDD also provides training, workshops, and exercise support in the operation and maintenance of radiation detection systems and technical nuclear forensics capabilities. NSDD coordinates its capacity-building activities with other international nuclear security assistance entities such as INTERPOL, the European Commission and the International Atomic Energy Agency.

Global Threat Reduction (GTR): GTR is a unique and flexible tool for countering weapons of mass destruction (WMD) terrorism. Through GTR, the Department of State's Office of Cooperative Threat Reduction (CTR) trains and equips foreign security and law enforcement forces to disrupt WMD terrorism plots, and works to secure biological, chemical, and nuclear materials to prevent terrorist groups such as ISIS from acquiring WMD in countries around the world. CTR leverages diplomatic relationships to rapidly deliver critical capabilities to the most austere, high-threat environments.

In 2016, to support critical coalition efforts, CTR provided support to Iraqi forces charged with detecting, disrupting, and responding to ISIS's chemical weapons plots. In response to the ISIS

threat, CTR provided needed chemical weapons detection and protective equipment during the Mosul operation, and delivered a shipment of specialized material to neutralize an ISIS-ignited Sulphur plant fire that posed a risk to Iraqi and coalition forces and served as an area denial tactic.

Biological Weapons Convention Inter-Sessional Work Program (BWC): The November 2016 BWC Review Conference adopted a final document with new language on countering bio-terrorism but did not agree to a program of work for the coming years, something the United States will seek to rectify in 2017. In 2016, the United States pressed for greater efforts in this forum to acquire better information about and promote international cooperation on BWC States Parties' measures to implement the Convention. More effective national implementation and enhanced international cooperation could contribute to a range of efforts aimed at addressing the threat posed by terrorists and other non-state actors, including to criminalize and deter malicious use of biological agents; promote sustainable, effective approaches to laboratory biosecurity; raise international awareness of the need for appropriate, balanced oversight of dual-use life science research with significant potential for harm; and identify and address impediments to international coordination and response in the event of a bioterrorism attack or a significant disease outbreak of unknown origin.

Organization for the Prohibition of Chemical Weapons (OPCW): In response to the growing concern about chemical weapons use by state and non-State actors, the OPCW continues to find ways to enhance its ability to provide support to Chemical Weapons Convention (CWC) States Parties to both prevent and respond to a CW use. Specifically, the OPCW Director-General established a Sub-Working Group on Non-State Actors (SWG) under the OPCW's Open-Ended Working Group on Terrorism (OEWG-T), with the aim of stimulating discussion and generating specific recommendations that the Technical Secretariat and/or States Parties could implement to address the threat posed by non-State actors. Since the group's establishment in October 2015, it has made great strides in identifying actions that States Parties and the OPCW Technical Secretariat can take to address the non-State actor challenge. Additionally, the Director-General established a Rapid Reaction and Assistance Mission (RRAM) to effectively and efficiently provide assistance to States Parties impacted by CW use by both State and non-State actors.

Additionally, in August and October, the OPCW-United Nations Joint Investigative Mechanism (JIM) determined that the Syrian Arab Armed Forces was responsible for three incidents of chemical weapons use in Syria in 2014 and 2015 and that ISIS was responsible for one use of chemical weapons in Syria. The OPCW Fact-Finding Mission (FFM) continues to investigate credible allegations of chemical weapons use in Syria to determine if use or likely use occurred. Such cases will be referred to the JIM for attribution. The United States fully supports the JIM, the FFM, the OEWG-T, the SWG, and RRAM initiative and continues to provide subject matter expert participation and briefings to meetings on this subject.

Chapter 5
Terrorist Safe Havens (Update to 7120 Report)

Terrorist safe havens described in this report include ungoverned, under-governed, or ill-governed physical areas where terrorists are able to organize, plan, raise funds, communicate, recruit, train, transit, and operate in relative security because of inadequate governance capacity, political will, or both.

As defined by section 2656f(d) of Title 22 of the U.S. Code, the term "terrorist sanctuary" or "sanctuary" excludes the territory of a country the government of which is subject to a determination under section 2405(j)(1)(A) of the Appendix to Title 50; section 2371(a) of Title 22; or section 2780(d) of Title 22– the state sponsors of terrorism. Accordingly, information regarding Iran, Sudan, and Syria can be found in Chapter 3, State Sponsors of Terrorism.

TERRORIST SAFE HAVENS

AFRICA

Somalia. In 2016, terrorists used under-governed areas in northern, central, and southern Somalia as safe havens from where they conducted, planned, and facilitated operations with little resistance. Despite having made significant progress toward formally federating its member states in the latter part of 2016, Somalia continued to struggle with the provision of security, justice, and governance capacity at all levels needed to limit terrorists' freedom of movement, access to resources, and capacity to operate. Despite these limitations, all levels of Somali government continued to cooperate with U.S. counterterrorism efforts.

Al-Shabaab's ability to retain its safe haven in southern Somalia and regain new territory in central Somalia was due largely to lapses in offensive counterterrorism operations during 2016. The group carried out a series of complex assaults and raids against the African Union Mission in Somalia (AMISOM) forward-operating bases that resulted in the deaths of hundreds of AMISOM and Somali soldiers, the deadliest of these occurred in January against a Kenyan forward-operating base in the Gedo region town of Ceel Adde.

Although select U.S.-trained Somali forces made limited progress against al-Shabaab in 2016, the Somali National Army, as a whole, remained incapable of securing and retaking towns from al-Shabaab independently. In the latter part of 2016, Ethiopian forces largely withdrew from some areas it controlled in central Somalia, leaving previously liberated towns in Bakool, Hiiraan, and other regions, vulnerable to al-Shabaab.

In northern Somalia, a small group of former al-Shabaab members who had aligned with ISIS in October 2015 established a presence in remote areas that provided access to rudimentary ports along the coast of the Gulf of Aden and proximity to the Arabian Peninsula. Less than a year after pledging allegiance to ISIS, the group established a safe haven in the Golis Mountains of Puntland and temporarily took the port town of Qandala, which was retaken by Puntland's

security forces in December 2016. The ISIS-aligned faction retreated to the mountains where a group of roughly 200 fighters remained out of the reach of regional security forces.

As seen in previous years, al-Shabaab kept much of its safe haven in the Jubba River Valley as a primary base of operations for plotting and launching attacks throughout Somalia and northern Kenya. The group's operatives controlled several villages and towns throughout Jubaland region, including Janaale, Jilib, and Kunyo Barow, and exploited the porous border regions further south between Kenya and Somalia to launch cross-border attacks.

Following one of the deadliest terrorist attacks in its history in April 2015 in Garissa, Kenya, increased its security presence along its northeastern border with Somalia to detect and counter al-Shabaab's cross-border operations, especially in and around the Boni Forest area. During 2016, al-Shabaab capitalized on Kenya's limited border security capacities by conducting smaller-scale attacks against soft targets and law enforcement facilities in Mandera and other northeastern counties in Kenya. The group continued to extort money from locals via illegal checkpoints and local businesses, while also taxing livestock and commodities, such as sugar, to finance its operations and pay recruits.

Despite chronically low capacity and human capital, the Federal Government of Somalia remained committed to regional counterterrorism efforts to eliminate al-Shabaab's access to safe haven in Somalia. Still heavily dependent on regional and international partners, Somalia progressed politically and took steps toward advancing its national security objectives through law enforcement and criminal justice reform in its urban areas.

According to independent sources and non-governmental organizations engaged in demining activities on the ground, there was little cause for concern for the presence of weapons of mass destruction in Somalia.

The Trans-Sahara. In 2016, terrorist organizations – including al-Qai'da in the Islamic Maghreb, al-Mulathamun Battalion (AMB), Movement for Justice and Oneness in West Africa, Ansar al-Dine, and Macina Liberation Front – could no longer claim safe haven in the Trans-Sahara region.

Following their degrading and scattering in 2013 by combined African and French operations, these terrorist groups took a year to reorganize and began a campaign of asymmetric warfare that included light raids, soft target attacks, and use of improvised explosive devices, land mines, and suicide bombers.

The groups were no longer able to conduct major military-style campaigns as they did in 2012. Nor were they able to claim safe haven in northern Mali as they are under constant pressure by French forces and denied free movement by the French and the UN Multidimensional Integrated Stabilization Mission in Mali. Partner forces challenged their movements and operations when found throughout the Maghreb and Sahel. In 2016, these terrorist groups did not grow, recruitment remained flat lined, and they were unable to expand their zones of operation.

Nonetheless, terrorists' asymmetric warfare in this region continued, making progress restoring governance, services, and security in parts of the Sahel difficult.

The Malian government does not support or facilitate the proliferation or trafficking of weapons of mass destruction in and through its territory.

SOUTHEAST ASIA

The Sulu/Sulawesi Seas Littoral. The number of islands and maritime traffic in the Sulawesi Sea and the Sulu Archipelago make it a difficult region to secure. Traditional smuggling and piracy groups supported terrorist networks, including the movement of personnel, equipment, and funds. Kidnapping-for-ransom remained an ongoing threat and a source of funding for terrorist networks in the region.

Indonesia, Malaysia, and the Philippines have made concerted new efforts to control their shared maritime boundaries. In 2016, the three countries signed a trilateral agreement that envisions joint air and maritime patrols, information sharing, and standard operating procedures for "hot pursuit" of criminal and terrorist elements actively conducting attacks.

Southeast Asia serves as a global trade hub, with some of the highest volume transit and transshipment ports in the world. Lack of political will, incomplete legal and regulatory frameworks, weak strategic trade controls, inadequate law enforcement and security capabilities, and emerging and re-emerging infectious disease and burgeoning bioscience capacity, make Southeast Asia an area of concern for weapons of mass destruction proliferation and transit. Malaysia, the Philippines, and Singapore are the only countries in the region with strategic trade control laws, and countries across Southeast Asia struggle with controls over dual-use items, as well as end-use or "catch-all" provisions. Assisting countries in the region to develop strong laws that meet international standards and helping to build effective targeting and risk management systems are major goals of the Department of State's Export Control and Related Border Security program over the next few years.

The Southern Philippines. The Philippines' geographical composition, with more than 7,500 islands, made it difficult for the central government to maintain a presence in all areas. Counterterrorism operations have succeeded in isolating the geographic influence and largely constraining the activities of transnational terrorist groups to the south. Members of numerous groups present in Mindanao have pledged allegiance to ISIS, including parts of the Abu Sayyaf Group (ASG), the Dawlah Islamiyah Lanao (DIL) – commonly referred to as the Maute Group – and Ansar-al Khalifah Philippines. The Bangsamoro Islamic Freedom Fighters (BIFF) and other splinter groups were also present in large areas of Mindanao.

THE MIDDLE EAST AND NORTH AFRICA

Egypt. Portions of Egypt's Sinai region remained a safe haven for terrorist organizations in 2016. For most of the year, the situation in Sinai continued as a low-grade armed conflict involving forces linked to external terrorist movements and those with longstanding local grievances. The December 2016 suicide-bombing of a Coptic church in Cairo, for which ISIS

claimed responsibility, has created increased concern that ISIS is making greater efforts to carry out terrorist attacks on mainland Egypt.

The Egyptian army has increased combat operations in northeastern Sinai but was not able to defeat fewer than 1000 ISIL-Sinai Province (ISIL-SP) fighters. Successful airstrikes in the Sinai, however, have removed key terrorist leadership, including ISIL-SP Sinai leader Abu Duaa Al-Ansari, although ISIL-SP quickly reconstituted its leadership after these airstrikes.

The United States supported Egypt's efforts to combat ISIL-SP by providing Apache helicopters, Mine-Resistant Ambush Protected vehicles, counter-improvised explosive devices training, mobile sensor towers, and border security training programs. The United States intensified military-military discussions on how it can help Egypt defeat the group. The United States remained concerned about the deteriorating security situation and potential impacts on the Multinational Force and Observers peacekeeping mission in the Sinai.

Through the Department of State's Export Control and Related Border Security Program, the United States worked with the Government of Egypt to enhance its border security capabilities through the provision of land, air, and maritime border enforcement and targeting and risk management training for Egyptian Customs, Ministry of Defense, Ministry of Interior, Ministry of Transportation, and Ministry of Foreign Affairs officials. In addition, since 2009, the Department of State's Nonproliferation and Disarmament Fund has assisted Egypt with the provision of passenger and cargo vehicle x-ray detection equipment with the capability to inspect vehicular and truck traffic at fixed transportation checkpoints for weapons of mass destruction-related materials, conventional weapons, and other illicit items.

Iraq. Supported by the 68-member Global Coalition to Defeat ISIS, the Government of Iraq retook more than 62 percent of Iraqi territory once controlled by ISIS by the end of 2016, including several key cities. The series of successive ISIS defeats included the Iraqi Security Forces (ISF) liberation of Ramadi in February, elimination of ISIS cells in Hit, Rutbah, Karma, and Jazira al-Khalidiya through the spring, recapture of Falluja in June, seizure of Qayara Airbase (Q-West) in July, and the launch of a broad offensive in Ninewa in October, resulting in ISF penetration deep into eastern Mosul at the end of the year assisted by Coalition air power. ISIS showcased cruel savagery as it retreated, brutally executing hundreds of Iraqi civilians, publishing macabre videos of the murders to terrorize Iraqis, and forcing Mosul residents to remain as human shields to discourage airstrikes. ISIS also demonstrated its continuing ability to conduct massive terrorist attacks in Baghdad and Shia-majority areas, killing at least 300 civilians in coordinated bombings in Baghdad in July and killing at least 80 Iranians and Iraqis (the bulk of whom were Shia Arba'in pilgrims) in Hilla, south of Baghdad, in November.

Portions of Iraq remained under the control of ISIS during 2016. While ISIS continued to offer fierce resistance in Mosul's city center and a few other strongholds, it lost most of its ability to generate new revenue or resupply itself militarily. The ISF had reclaimed most of Anbar (with only the Qaim-Rawa corridor remaining ISIS-controlled), nearly all of Salah al-Din, Kirkuk (except for Hawija), and Ninewa, except for Mosul and Tal Afar.

ISIS used the territory under its control in 2016 to produce sulfur mustard and improvised explosive devices filled with chlorine. The United States has been proactively working with our allies to dismantle this chemical weapons capability, as well as deny ISIS access to chemical, biological, radiological, and nuclear (CBRN) materials and expertise through interdictions and strengthening the ability of regional governments to detect, disrupt, and respond effectively to suspected CBRN activity.

Due to security conditions in Iraq, the Export Control and Related Border Security program had difficulty implementing its outreach activities in 2015 and this continued into 2016.

The United States and Iraq strengthened their bilateral partnership to counter nuclear terrorism in September 2014 by concluding the "Joint Action Plan between the Government of the Republic of Iraq and the Government of the United States of America on Combating Nuclear and Radioactive Materials Smuggling," which expresses the intention of the two governments to work together to enhance Iraq's capabilities to prevent, detect, and respond to nuclear smuggling incidents, and ultimately prevent terrorist groups from acquiring nuclear or other radioactive materials. The Joint Action Plan provides a useful framework for U.S. capacity-building efforts. For example, in line with this effort, the Department of Energy and the National Nuclear Security Administration's Office of Nuclear Smuggling Detection and Deterrence has provided Iraq with several mobile detection vans and training that can be used to alert officials to the presence of nuclear and radiological materials.

Lebanon. Lebanon remained a safe haven for certain terrorist groups. The Lebanese government did not take significant action to disarm Hizballah or eliminate its safe havens on Lebanese territory, nor did it seek to limit Hizballah's travel to and from Syria to fight in support of the Assad regime or to and from Iraq. The Lebanese government did not have complete control of all regions of the country, or fully control its borders with Syria and Israel. Hizballah controlled access to parts of the country and had influence over some elements within Lebanon's security services, which allowed it to operate with relative impunity.

Ungoverned areas along the un-demarcated Lebanese-Syrian border also served as safe havens for al Nusrah Front, ISIS, and other Sunni terrorist groups in 2016, which operated in mountainous, mostly uninhabited zones where the government had limited reach. Although the Lebanese government undertook sustained military operations to counter these safe havens and ISIS, al Nusrah Front, and other non-Hizballah terrorist activity, these groups maintained a presence in parts of Lebanon. Other terrorist groups, including Hamas, the Popular Front for the Liberation of Palestine, the Popular Front for the Liberation of Palestine General Command, Asbat al-Ansar, Fatah al-Islam, Fatah al-Intifada, Jund al-Sham, Palestinian Islamic Jihad, the Abdullah Azzam Brigades, and several other splinter groups continued to operate within Lebanon, although primarily out of Lebanon's 12 Palestinian refugee camps. These groups used the Palestinian camps as safe havens to house weapons, shelter wanted criminals, and plan terrorist attacks. Lebanese security services also noted the ability of terrorists to use Syrian refugee settlements as places of refuge and transit.

The United States worked closely with the Lebanese Armed Forces (LAF) and Internal Security Forces to counter terrorist threats within Lebanon and along its border with Syria by providing counterterrorism training, military equipment, and weaponry.

Lebanon was not a source country for weapons of mass destruction (WMD) components, but its porous borders made the country vulnerable for use as a transit and transshipment hub for proliferation-sensitive transfers, particularly with the conflict in Syria. The LAF Engineer Regiment partnered with U.S. government agencies to detect and prevent proliferation and trafficking of WMD along the Syrian border.

The Department of State's Export Control and Related Border Security program (EXBS) provided commodity identification training for items that could be used in chemical, biological, radiological, and nuclear weapons, in order to keep these items from transiting through Lebanon. EXBS also proceeded with a frontier border security interdiction training program, in partnership with the Department of Defense, to strengthen LAF and Internal Security Forces border security and interdiction capabilities. In addition, the U.S. Department of Energy's Office of Nuclear Smuggling Detection and Deterrence equipped the Port of Beirut with radiation detection equipment to scan cargo for the presence of radiation.

Libya. Due to the inability of the Libyan Government of National Accord (GNA) to effectively administer its territory, many areas of Libya's vast ungoverned space constituted potential safe havens for terrorists and violent extremist organizations in 2016, including Benghazi, Darnah, and the deserts in the south and the west. The GNA devoted significant effort to wiping out ISIL-Libya, but due to the difficulties of controlling the southern and desert borders in particular, it was unable to track flows of foreign terrorist fighters in and out of its territory. Rival factions and political stakeholders outside of the GNA, including in the House of Representatives and the "Libyan National Army," had also not stemmed or tracked the flow of foreign terrorist fighters.

In 2016, Libya requested international assistance with the destruction of its remaining chemical weapons program components, approximately 500 metric tons of category 2 chemical weapons precursors, to prevent its acquisition by terrorists operating less than 60 km away. In total, nine countries and the Organization for the Prohibition of Chemical Weapons contributed to the removal and destruction effort, with Denmark removing the chemicals from Libya, and Germany completing the actual destruction. The United States made a sizeable financial contribution to the overall effort. Libya retained a stockpile of natural uranium ore concentrate (yellowcake), however, stored in a former military facility near Sebha in Libya's south. This material represents a limited risk of trafficking and proliferation due to the bulk and weight of the storage containers and the need for extensive additional processing before the material would be suitable for weapons purposes.

The Department of State's Export Control and Related Border Security program efforts in Libya will focus on border enforcement capacity building through the provision of land, air, and sea border security training for Libyan officials, with the aim of advancing the GNA's ability to mitigate the threat posed by ISIS, its affiliates, and related entities. Targeted technical training and equipment for land, air, and sea border enforcement authorities will improve the Libyan government's ability to detect, identify, and interdict illicitly trafficked weapons of mass

destruction, related items, and conventional weapons along Libya's porous borders. These activities aim to encourage interagency cooperation and promote regional and international cooperation to counter illicit trafficking in strategic items.

Yemen. Throughout 2016, al-Qa'ida in the Arabian Peninsula (AQAP) and ISIS in Yemen (ISIS-Y) continued to exploit the political and security vacuum created by the ongoing conflict between the Yemeni government under President Abdu Rabbu Mansour Hadi and the Houthi-Saleh opposition forces. Due to the instability and violence in Yemen, the internationally recognized government under Hadi could not effectively enforce counterterrorism measures. A large security vacuum persisted giving AQAP and ISIS-Y more room to operate. Both groups manipulated and emphasized the conflict as part of a broader Sunni-Shia sectarian divide to increase their support bases and strengthen footholds in the country.

AQAP, in particular, benefitted from the conflict by significantly expanding its presence in the southern and eastern governorates. It successfully insinuated itself among multiple factions on the ground, making the group more difficult to counter. AQAP has managed to exacerbate the effects of the conflict, fighting against the Houthi-Saleh alliance, while at the same time attempting to prevent the Yemeni government from consolidating control over southern governorates. In April, Yemeni forces, supported by the Saudi-led coalition, successfully pushed AQAP out of Yemen's fifth largest city of Mukalla, where it amassed unprecedented resources during its year-long occupation by raiding the central bank and levying taxes. The loss of Mukalla deprived the group of millions of dollars of revenue. By the end of 2016, the Yemeni government, in coordination with coalition partners, continued its efforts to push AQAP out of other safe havens across southern Yemen.

While ISIS-Y demonstrated a violent operational pace, it did not occupy significant territory in 2016.

The Government of Yemen continued to work towards a peaceful solution to the conflict while cooperating with U.S. counterterrorism efforts.

Yemen's political instability continued to hinder efforts to enact or enforce strategic trade controls, leaving the country vulnerable as a transit point for weapons of mass destruction-related materials.

SOUTH ASIA

Afghanistan. Terrorist and insurgent groups are active in the border region of Afghanistan and Pakistan. The Government of Afghanistan struggled to assert control over this remote terrain, where the population is largely detached from national institutions. Afghanistan generally cooperated with U.S. counterterrorism efforts, although there were some disagreements on the role of U.S. nationals during combined counterterrorism operations. President Ghani has actively pursued cross-border security cooperation with the Government of Pakistan, including the prospect of joint operations to reduce safe havens on both sides.

Since the transition from the International Security Assistance Force (ISAF) to Resolute Support in January 2015, the trilateral border agreement that governed the Afghanistan-Pakistan border (ISAF was also a signatory) expired and the two countries were unable to finalize a bilateral agreement to replace it. While there were some positive tactical-level steps taken by each country's military to improve operational coordination, regular cross-border shelling, and terrorist attacks on both sides of the border made formal agreement politically untenable.

The potential for weapons of mass destruction (WMD) trafficking and proliferation remained a concern in Afghanistan because of its porous borders and the presence of terrorist groups. The United States and Afghanistan continued to work to finalize a bilateral framework to facilitate closer cooperation to counter nuclear terrorism and enhance Afghanistan's capabilities to prevent, detect, and respond to nuclear smuggling incidents. The Afghanistan and U.S. governments also continued to work to implement comprehensive strategic trade controls and strengthen Afghanistan's border security system.

The Department of State's Export Control and Related Border Security (EXBS) Program contributed to strengthening Afghanistan's border enforcement capacity by providing training to the Afghan Customs Department. EXBS also sponsored regional cross-border collaboration through trainings with its South and Central Asian neighbors through the U.S. Department of Energy as well as Organization for Security and Cooperation in Europe and the UN Office on Drugs and Crime – World Customs Organization's Container Control Program. To increase the Government of Afghanistan's strategic trade control awareness, EXBS sponsored Afghan Ministry of Commerce and Industry's participation in the University of Georgia, Center for International Trade and Security, Strategic Security Trade Management Academy. In addition, the Department of Energy's Nuclear Smuggling Detection and Deterrence program provided Afghanistan with mobile detection vans and associated training to enhance capabilities to detect nuclear and radiological materials.

The United States continued to assist the Afghan government in building capacity to secure potentially dangerous biological materials and infrastructure housed at Afghan facilities, promote surveillance capabilities to detect and identify possibly catastrophic biological events, and engage Afghan scientists and engineers that have WMD or WMD-applicable expertise.

Pakistan. Numerous terrorist groups, including the Haqqani Network (HQN), Lashkar e-Tayyiba (LeT), and Jaish-e-Mohammad (JeM), continued to operate from Pakistani soil in 2016. Although LeT is banned in Pakistan, LeT's wings Jamaat-ud-Dawa (JuD) and Falah-i-Insaniat Foundation (FiF) were able to openly engage in fundraising, including in the capital. LeT's chief Hafiz Saeed (a UN-designated terrorist) continued to address large rallies, although in February 2017, Pakistan proscribed him under relevant provisions of Schedule Four of the Anti-Terrorism Act, thus severely restricting his freedom of movement. The 2015 ban on media coverage of Saeed, JuD, and FiF continued and was generally followed by broadcast and print media. The Pakistani government did not publicly reverse its December 2015 declaration that neither JuD nor FiF is banned in Pakistan, despite their listing under UN sanctions regimes, although in January 2017, Pakistan placed both organizations "under observation" pursuant to Schedule Two of the Anti-Terrorism Act. While not a ban, this allows the government to closely scrutinize the activities of both organizations. On November 11, Pakistan's National Counterterrorism

Authority published its own list of banned organizations that placed JuD in a separate section for groups that are "Under Observation," but not banned. Pakistan continued military operations to eradicate terrorist safe havens in the Federally Administered Tribal Areas, although their impact on all terrorist groups was uneven.

Throughout 2016, the Government of Pakistan administered an Exit Control List intended to prevent terrorists from traveling abroad.

To combat weapons of mass destruction (WMD) trafficking, Pakistan harmonized its national control list with items controlled by the Nuclear Suppliers Group, and continued to harmonize its control lists with other multilateral regimes, such as the Missile Technology Control Regime and the Australia Group. Pakistan improved legal and regulatory cooperation, industry outreach, and nonproliferation awareness for the Strategic Export Control Division and Pakistani Customs. In addition to industry outreach, Pakistan also delivered technical trainings to licensing and enforcement officials for the proper detection, interdiction, and identification of dual-use commodities that could be used to create WMDs.

Pakistan was a constructive and active participant in the Nuclear Security Summit process and in the Global Initiative to Combat Nuclear Terrorism, and worked to strengthen its strategic trade controls, including updating its national export control list. The State Department's Export Control and Related Border Security (EXBS) Program increased the Government of Pakistan's enforcement capacity by sponsoring training for Pakistani Customs and the Strategic Export Control Division officials on how to properly identify strategic commodities of concern. These commodity identification and advanced interdiction trainings were implemented by the U.S. Department of Energy.

EXBS also sponsored regional collaboration through nonproliferation fellowships and cross-border coordination with Afghanistan through the UN Office of Drugs and Crime – World Customs Organization's Container Control Program (CCP). Under the CCP, training was provided to enhance the targeting of skills of port control unit officials at the Jalalabad border-crossing and encouraged sharing of customs data between countries.

WESTERN HEMISPHERE

Colombia. Rough terrain and dense forest cover, coupled with low population densities and historically weak government presence have defined Colombia's borders with Brazil, Ecuador, Peru, and Venezuela, and historically have allowed for safe havens for domestic terrorist groups, particularly the Revolutionary Armed Forces of Colombia (FARC) and the National Liberation Army (ELN). The Government of Colombia maintained pressure on these groups to deny safe haven, disrupt terrorist financing efforts, and degrade terrorist groups' logistics infrastructure. In addition, Colombia conducted operations to counter the ability of the FARC and ELN to conduct terrorist attacks. Coupled with the peace accords with the FARC, Colombia experienced an overall decline in the total number of terrorist incidents in 2016. Despite these successes, the ELN and illegal armed groups, primarily known as "Bandas Criminales," continued to use the porous border, remote mountain areas, and jungles to maneuver, train, conduct kidnappings for

ransom, cultivate and transport narcotics, operate illegal mines, "tax" the local populace, and engage in other illegal activities.

Improved relations with neighboring Ecuador have led to some increased cooperation on law enforcement issues. Colombia also continued to cooperate and share information with the Panamanian National Border Service. Additionally, Brazil continued implementing its Integrated Border Monitoring System in an effort to monitor its entire border, and along with continued cooperation with the Government of Colombia, addressed potential safe haven areas along their shared borders.

Venezuela. Venezuela's porous border with Colombia has made its territory useful to the Revolutionary Armed Forces of Colombia and the National Liberation Army, who both use it to transit in and out of its territory. There were credible reports that Venezuela maintained a permissive environment that allowed for support of activities that benefited known terrorist groups.

COUNTERING TERRORISM ON THE ECONOMIC FRONT

In 2016, the Department of State designated three new Foreign Terrorist Organizations (FTOs) and amended two existing designations. In addition, the Department designated 29 organizations and individuals as Specially Designated Global Terrorists (SDGTs) under executive order (E.O.) 13224, and amended two existing designations. The Department also revoked the SDGT designation of one individual.

The Department of the Treasury also designated organizations and individuals under E.O. 13224. For a full list of all U.S. designations, see the Department of the Treasury's Office of Foreign Assets Control website at http://www.treasury.gov/resource-center/sanctions/SDN-List/Pages/default.aspx.

2016 Foreign Terrorism Organization/Executive Order 13224 group designations:

- On January 4, the Department of State designated ISIL-Khorasan (ISIL-K) under E.O. 13224 and as a FTO. (See Chapter 6, Foreign Terrorist Organizations, for further information on ISIL-K.)
- On May 19, the Department of State designated ISIL-Libya under E.O. 13224 and as a FTO. (See Chapter 6, Foreign Terrorist Organizations, for further information on ISIL-Libya.)
- On June 30, the Department of State designated al-Qa'ida in the Indian Subcontinent (AQIS) under E.O. 13224 and as a FTO. (See Chapter 6, Foreign Terrorist Organizations, for further information on AQIS).
- On November 10, the Department of State amended the E.O. 13224 and FTO designations of al-Nusrah Front to add additional aliases, including Jabhat Fath al-Sham. In July, al-Nusrah Front announced that it would now be known as Jabhat Fath al-Sham. Whether it calls itself Jabhat Fath al-Sham or al-Nusrah Front, the group remains al-Qa'ida's affiliate in Syria. (See Chapter 6, Foreign Terrorist Organizations, for more information on al-Nusrah Front and the July 2016 announcement.)

- On December 28, the Department of State amended the E.O. 13224 and FTO designations of Lashkar e-Tayyiba (LeT) to include the alias Al-Muhammadia Students (AMS). AMS is the student wing and a subsidiary of LeT. It works with LeT senior leaders to organize recruiting courses and other activities for youth. (See Chapter 6, Foreign Terrorist Organizations, for more information on LeT.)

2016 Executive Order (E.O.) 13224 designations:

- On March 10, the Department of State designated Abdullah Nowbahar and Abdul Saboor. Nowbahar and Saboor are explosive experts for Hezb-e-Islami Gulbuddin (HIG). Both are responsible for multiple attacks in Afghanistan, including assaults that have killed U.S. nationals.
- On March 22, the Department of State designated Santoso, a leader of the SDGT group, Mujahidin Indonesia Timur (MIT). Under Santoso's leadership, MIT has been responsible for several killings and kidnappings throughout Indonesia. In 2014, Santoso pledged allegiance to the FTO and SDGT group, the Islamic State of Iraq and Syria (ISIS) and ISIS leader and SDGT Abu Bakr al-Baghdadi. Santoso was killed by Indonesian police on July 18, 2016.
- On April 5, the Department of State designated Saleh Abdeslam. The Belgian-born, French citizen is an ISIS operative who played a role in the November 2015 Paris attacks that killed 130 people, including an American college student, and injured more than 350. Abdeslam was captured in a police raid in Belgium on March 18, 2016, and charged with "terrorist murder" for his part in the attack.
- On May 5, the Department of State designated Musa Abu Dawud. Dawud is a senior leader for the FTO and SDGT group, al-Qa'ida in the Islamic Maghreb (AQIM). Dawud is responsible for many AQIM terrorist attacks, including the February 4-5, 2013, attack on military barracks in Khenchela, Algeria that injured multiple soldiers. Dawud is also in charge of recruiting and training new members for AQIM.
- On May 19, the Department of State designated three branches of the FTO and SDGT group, ISIS: ISIS in Yemen, ISIS in Saudi Arabia, and ISIL-Libya. The branches emerged in November 2014 after ISIS leader and SDGT Abu Bakr al-Baghdadi announced that he had accepted the oaths of allegiance from fighters in Yemen, Saudi Arabia, and Libya, thereby creating ISIS "branches" in those countries. All three branches have carried out deadly assaults since their formation. ISIS in Yemen claimed a pair of March 2015 suicide bombings that targeted two separate mosques in Sana'a, Yemen that killed more than 120 people and wounded more than 300. ISIS in Saudi Arabia has killed well more than 50 people in attacks in Saudi Arabia and Kuwait targeting primarily Shia mosques. ISIL-Libya's attacks include the February 2015 kidnapping and execution of 21 Egyptian Coptic Christians in Libya.
- On May 25, the Department of State designated the Pakistan-based Tariq Gidar Group (TGG). The group, linked to the FTO and SDGT group Tehrik-e Taliban Pakistan, has launched multiple large-scale attacks, including the January 2016 attack on Bacha Khan University in Charsadda, Khyber Pakhtukhwa, Pakistan that left more than 20 students and faculty dead. The TGG is also responsible for the 2010 kidnapping of a British journalist in North Waziristan, Pakistan and the 2008 kidnapping and beheading of Polish geologist Piotr Stanczak in Attock, Pakistan.

- On May 25, the Department of State designated Jama'at ul Dawa al-Qu'ran (JDQ). JDQ is based in Pakistan and eastern Afghanistan and is responsible for numerous attacks, including the 2010 kidnapping and death of British aid worker Linda Norgrove in Kunar Province, Afghanistan. The group has long standing ties to the FTOs and SDGT groups, al-Qa'ida and Lashkar e-Tayyiba.
- On June 9, the Department of State designated the Yarmouk Martyrs Brigade (YMB). The YMB was formed in August 2012 in Deraa, Syria. It cooperated with al-Nusrah Front through 2014, but has since pledged allegiance to ISIS.
- On June 30, 2016, the Department of State designated Asim Umar, who is the leader of the FTO and SDGT group AQIS.
- On July 13, the Department of State designated Aslan Avgazarovich Byutukaev, who is the leader of the SDGT group, the Islamic State of Iraq and the Levant-Caucasus Province (ISIL-CP). Prior to joining ISIL-CP, Byutukaev was a prominent leader in the SDGT group, Caucasus Emirate.
- On July 13, the Department of State designated Ayrat Nasimovich Vakhitov, a foreign terrorist fighter from Tatarstan, Russia who has fought in Syria. He is associated with Jaysh al-Muhajirin Wal Ansar, a group that was designated by the Department of State as a SDGT under E.O. 13224 in October 2014.
- On August 3, the Department of State designated the TTP-splinter group, Jamaat-ul-Ahrar (JuA), which is based in the Afghanistan-Pakistan border region. JuA has staged multiple attacks in the region, including the March 2016 suicide assault at the Gulshan-e-Iqbal amusement park in Lahore, Pakistan that killed more than 70 people, nearly half of whom were women and children. Hundreds of others were injured in the attack, which was the deadliest attack in Pakistan since December 2014.
- On August 3, the Department of State designated Mohamed Abrini. Abrini was a member of the Europe-based ISIS cell responsible for the November 2015 Paris attacks and March 2016 Brussels attacks. He was arrested on April 8, 2016 by Belgian authorities.
- On August 31, the Department of State designated Abdiqadir Mumin, a former recruiter and spokesperson for al-Shabaab. In October 2015, Mumin pledged his allegiance to ISIS and now leads a group of ISIS-linked individuals in and around Puntland, Somalia.
- On September 19, the Department of State designated Fathi Ahmad Mohammad Hammad, who has promoted terrorist activity for Hamas and established Hamas' media outlet Al-Aqsa TV, which was designated as a SDGT in March 2010 by the Department of the Treasury. As Hamas' Interior Minister, Hammad coordinated terrorist cells and was responsible for security within Gaza.
- On September 19, the Department of State designated Omar Diaby. Diaby leads a group of approximately 50 French foreign terrorist fighters in Syria, which has participated in operations alongside al-Nusrah Front. He is credited as the chief reason behind why so many French nationals have joined militant groups in Syria and Iraq.
- On September 20, the Department of State designated Jund al-Aqsa (JAA), a militant group that operates primarily in the Idlib and Hama provinces of Northern Syria. The group was formed in 2012 and has cooperated closely with al-Nusrah Front, but also carries out operations independently. JAA launched two suicide bombings at checkpoints on the outskirts of Idlib in March 2015 and carried out the February 2014 massacre in Maan in central Hama province that killed 40 civilians.

- On September 28, the Department of State designated Anas El Abboubi, a foreign terrorist fighter of Italian origin who has been fighting for ISIS in Syria since 2013. In June 2013, Abboubi was arrested in Italy by the Brescia Police General Investigations and Special Operations Division and counterterrorism forces for plotting a terrorist attack in Northern Italy and recruiting others for militant activity abroad. An Italian court released him after two weeks in custody due to insufficient evidence to charge him, and he fled to Syria shortly after.
- On October 20, the Department of State designated Hizballah commander Haytham 'Ali Tabataba'i, who has commanded Hizballah's special forces, and operated in Syria and Yemen as part of a larger Hizballah effort to destabilize the region.
- On November 22, the Department of State designated Abdelilah Himich. Himich, also known as Abu Sulayman al-Faransi, is a senior ISIS foreign terrorist fighter and external operations figure reportedly involved in the planning of ISIS's November 2015 Paris attacks and March 2016 attacks in Brussels. He created a European foreign terrorist fighter cell that contributes to ISIS's operations in Iraq, Syria, and abroad.
- On November 22, the Department of State designated ISIS external operations plotter Basil Hassan. In 2013, Hassan was accused of shooting Lars Hedegaard, a 70-year-old Danish author and journalist. After being arrested in Turkey in 2014, he was released as part of an alleged exchange for 49 hostages held by ISIS. After his release, Hassan was believed to have travelled to Syria to join ISIS.
- On November 22, the Department of State designated Abdullah Ahmed al-Meshedani, an Iraqi ISIS leader who manages arriving foreign terrorist fighters, handles guesthouses for them, and transports suicide bombers on behalf of the group. He is also reportedly an advisor who reports to ISIS leader Abu Bakr al-Baghdadi.
- On November 22, the Department of State designated Victor Quispe Palomino, Jorge Quispe Palomino, and Tarcela Loya Vilchez. Victor and Jorge Quispe Palomino lead the FTO and SDGT group, the Shining Path. Both have participated in Shining Path terrorist operations since the 1980s, when they admitted to taking part in the April 1983 massacre of 69 men, women, and children in Lucanamarca, Peru. Tarcela Loya Vilchez is a Shining Path leader in charge of the military and ideological training of children.
- On December 21, the Department of State designated Saleck Ould Cheikh Mohamedou, an AQIM operative, who was sentenced to death in Mauritania in 2011 after his conviction for attempting to assassinate the Mauritanian head-of-state Mohamed Ould Abdel Aziz. The plot, foiled by the Mauritanian army, included attacks on the French embassy and the Mauritanian Ministry of National Defense. Mohamedou is also regarded as the planner of the terrorist attack that resulted in the killing of four French tourists in Mauritania in 2007. He escaped from prison in 2015, but was captured in January 2016 and incarcerated in Mauritania.

MULTILATERAL EFFORTS TO COUNTER TERRORISM

In 2016, the United States continued to work through multilateral organizations to strengthen regional and international efforts to counter terrorism and violent extremism, including by developing and promoting global norms and building the capacities of states to implement them.

The Global Counterterrorism Forum (GCTF). Since its launch in September 2011, the GCTF has mobilized more than US $300 million to support national and regional efforts to strengthen civilian institutions to counter terrorism and violent extremism. This includes support for the development and implementation of GCTF framework documents at both the regional and country levels.

The GCTF works with partners around the globe to change how states – particularly those emerging from authoritarian rule – respond to the challenges of terrorism and the violent extremist ideologies that underpin them. The GCTF, with its 30 founding members (29 countries and the EU), regularly convenes counterterrorism policymakers and practitioners, as well as experts from the United Nations and other multilateral and regional bodies, to identify urgent counterterrorism needs, devise solutions, and mobilize expertise and resources to address such needs and enhance global cooperation.

With its primary focus on countering violent extremism (CVE) and strengthening civilian criminal justice and other rule of law institutions that deal with terrorism, the GCTF aims to diminish terrorist recruitment and increase countries' capacity for dealing with terrorist threats within their borders and regions. The United Nations is a close partner of, and participant in, the GCTF and its activities. The GCTF serves as a mechanism for furthering the implementation of the universally-agreed UN Global Counter-Terrorism Strategy and, more broadly, to complement and reinforce existing multilateral counterterrorism efforts, starting with those of the United Nations. The GCTF also partners with a wide range of regional multilateral organizations, including the Council of Europe, the Organization for Security and Cooperation in Europe, the African Union, and the Inter-Governmental Authority on Development (IGAD).

In 2016, the GCTF launched two new initiatives:

- **Protection of Soft Targets in a Counterterrorism Context Initiative:** Co-led by the United States and Turkey, this initiative has two objectives: (1) to raise awareness, identify needs, and leverage the expertise and experience of governments and industry to better protect potential soft targets – like restaurants, sports arenas, and hotels from extremist attack – whether by organized groups or by individuals intent on doing harm both to their neighbors and to themselves; and (2) to develop a set of internationally-recognized, non-binding good practices, which can serve as the basis for international engagement, assistance, and training to enhance the security and resilience of sites that are potential soft targets.

- **Dialogue on Countering Foreign Terrorist Fighters and Radicalization to Violence in Central Asia:** This initiative aims at assisting Central Asian States in addressing the

challenge of countering foreign terrorist fighters and in implementing "The Hague-Marrakech Memorandum on Good Practices for a More Effective Response to the FTF Phenomenon."

During 2016, the GCTF also continued work on two earlier initiatives, the *Lifecycle Initiative* and *The International CT/CVE Clearinghouse Mechanism*:

- **"Initiative to Address the Lifecycle of Radicalization to Violence" Toolkit:** In September 2016, GCTF Ministers adopted six new documents developed as part of the "Initiative to Address the Life Cycle of Radicalization to Violence" ("Lifecycle Initiative") first launched in September 2015 as a response to the then emerging issue of returning foreign terrorist fighters and ISIS-inspired home-grown violent extremists. Co-led by Turkey and the United States, the crosscutting Lifecycle Initiative equips policy-makers and practitioners with conceptual tools they can apply at various points of the life cycle of radicalization to violence: from prevention, to intervention, to rehabilitation, and reintegration. The six new documents include the role of families in identifying and intervening with members at risk of radicalization; identifying and countering terrorist recruiters and facilitators; comprehensive reintegration programs for returning foreign terrorist fighters; juvenile justice in a counterterrorism context; appropriate alternative measures for terrorism-related offences; and guidelines for legal frameworks for rehabilitation and reintegration. The new documents complement some 20 other existing GCTF and related documents that together make up the Lifecycle Initiative conceptual "toolkit." To make the tools as accessible and useful as possible to stakeholders, the United States has funded the creation of a web-based Toolkit. The Toolkit gives policy-makers and practitioners access to consolidated information on the Lifecycle Initiative and related good practices, program models, research, and other counterterrorism and countering violent extremism resources. The Toolkit will eventually include a web-based forum that will allow users to connect with counterparts and experts in other countries, as well as a mobile "app" version that will enhance its accessibility.

- **The International CT-CVE Clearinghouse Mechanism (ICCM):** In September 2015, GCTF Ministers approved the launch of the International Counterterrorism and Countering Violent Extremism Capacity-Building Clearinghouse Mechanism (ICCM). During 2016, the ICCM developed an up-to-date database of recent/ongoing counterterrorism and countering violent extremism capacity-building assistance programs in three pilot countries: Kenya, Nigeria, and Tunisia. A key objective of the ICCM is to identify gaps in programming and to de-conflict overlapping programs. Officially launched at the September 2016 GCTF Ministers' meeting, the password-protected ICCM database is available to GCTF members, pilot countries, and key donors. The United States is providing US $2.25 million of funding for the initial two-year pilot effort.

The International Criminal Police Organization (INTERPOL): Through its I-24/7 secure global police communications system, INTERPOL connects its member countries' law enforcement officials to its array of investigative and analytical databases, as well as its system

of messages, diffusions, and notices. As a result of technical expertise provided by INTERPOL Washington, a number of member countries are now establishing or extending connections between I-24/7 in their national central bureaus to their respective national border security and law enforcement systems to increase their ability to help screen and interdict the international transit of foreign terrorist fighters and other transnational criminals. With continued financial and staffing support from the United States, the INTERPOL Counter-Terrorism Fusion Centre's Foreign Terrorist Fighter project manages an analytical database containing identity particulars that supports law enforcement and border control authorities' abilities to determine the terrorist threat posed by subjects located in, or attempting to enter, their respective jurisdictions. More than 60 countries contribute to INTERPOL's foreign terrorist fighter (FTF) database, which now contains more than 8,000 foreign terrorist fighter identities. From these records, dedicated analysis has been delivered to INTERPOL's membership to combine, evaluate, and share intelligence on the capabilities, means, and emerging trends of FTFs to ensure that the right piece of data reaches the right officer on the frontlines.

European Union (EU): In December 2016, the U.S.-EU Justice and Home Affairs (JHA) Ministerial included a discussion on initiatives to improve counterterrorism efforts, including border security, screening of travelers and information sharing, as well as cooperation to better identify terrorist and foreign terrorist fighter (FTF) travel. The EU and the United States also agreed to reinforce their dialogue on chemical, biological, radioactive, and nuclear material and its possible use by terrorist networks.

In April 2016, the EU Commission published the "Communication on Stronger and Smarter Information Systems for Borders and Security," outlining a multi-year approach to greater information sharing in Europe. In June, the Council of the European Union endorsed a "Roadmap to Enhance Information Exchange and Information Management" that detailed a lengthy list of actions the EU and its member states must implement to improve information sharing. In line with this roadmap, the Commission proposed an array of counterterrorism-relevant regulations and initiatives in 2016, including: the creation of an Entry-Exit System and European Travel Information and Authorization System to strengthen Schengen borders and track movements of persons of interest; requiring inspections of all travelers crossing Schengen borders; harmonizing counterterrorism legislation across EU member states and criminalizing various types of support to terrorists; and incorporating biometrics and new alerts into the Schengen Information System. The Council also passed an EU Passenger Name Record (PNR) Directive in April 2016, mandating member states' sharing of PNR data for intra-EU flights by April 2018.

The 2010 U.S.-EU Agreement on the Terrorist Finance Tracking Program continued to enable the EU and the United States to share information related to financial messaging data for the purpose of identifying, tracking, and pursuing terrorists and their networks. The agreement's fourth joint review, conducted by the United States and EU during 2016, concluded that implementation of the agreement remained successful and vitally important to both sides' counterterrorism efforts.

In 2016, the EU created two new institutions, the European Counter Terrorism Centre (ECTC) and the European Border and Coast Guard (EBCG). The ECTC will coordinate European

information-sharing on counterterrorism matters and will include representatives from DHS and the FBI. The EBCG, in cooperation with member states, will be responsible for security the EU's borders and sharing CT-related information with Europol.

Finally, the EU invested hundreds of millions of euros in humanitarian and economic programs within and outside the EU as part of its effort to counter violent extremism. The EU also continued six military and law enforcement capacity-building missions in the Horn of Africa and the Sahel, working closely with U.S. elements in counterterrorism, border security, and stabilization efforts.

Organization for Security and Cooperation in Europe (OSCE): Under the 2016 German Chairman in-Office, the OSCE focused on preventing and countering terrorism and violent extremism and radicalization that lead to terrorism, culminating in the adoption of declarations at the OSCE Hamburg Ministerial Council meeting in December 2016. As part of the, "OSCE United in Countering Violent Extremism (#UnitedCVE)" campaign, OSCE missions organized discussions, workshops, social media outreach, and a regional competition under the "Peer-2-Peer (P2P): Challenging Extremism" initiative. The OSCE Counterterrorism Conference (May 31-June 1, 2016) brought together more than 300 deputy foreign ministers, secretaries of state, and counterterrorism coordinators from OSCE participating states with Asian and Mediterranean cooperating partners. The conference highlighted the role of youth, and, in particular, young women, with a focus on cooperation with youth-led and youth-focused initiatives, especially when designing strategies to counter violent extremism and radicalization that lead to terrorism.

The OSCE, enabled by U.S. support, also promoted practical scenario-based multi-stakeholder seminars to discuss foreign terrorist fighters and countering violent extremism to enhance interagency and whole-of-society collaboration and develop good practices to share at regional, national, and community levels. Albania partnered with the OSCE to conduct a seminar in September 2016 in Durres, Albania, and Bosnia and Herzegovina's (BiH's) Ministry of Security also partnered with the OSCE to conduct a similar event in March 2016 in Jahorina, BiH. These events helped build interagency coordination, promote whole-of-society collaboration, implement national CVE strategies, and develop action plans. The OSCE also adopted an Advance Passenger Information decision and counterterrorism declaration at the OSCE Ministerial (December 2016).

North Atlantic Treaty Organization (NATO): NATO's counterterrorism efforts focus on improving awareness of the threat, developing response capabilities, and enhancing engagement with partner countries and organizations. All NATO allies participate in the Global Coalition to Defeat ISIS. At the 2016 NATO Summit in Warsaw, allied leaders agreed that NATO as an institution would provide direct Airborne Warning and Control System support to the Coalition's efforts; provide training and capacity-building support inside Iraq, while continuing to train hundreds of Iraqi officers in Jordan; and provide logistical and intelligence support to EU naval forces conducting anti-trafficking operations in the Mediterranean; and Allies reaffirmed their commitment to provide training and capacity-building support for Libya upon request and when conditions permit. In February 2016, NATO announced an agreement to create a NATO Istanbul Cooperation Initiative Regional Centre in Kuwait City. This Center will serve as a hub

for NATO's practical cooperation with Kuwait and other Istanbul Cooperation Initiative partners (Bahrain, Qatar, and United Arab Emirates), as well as with Saudi Arabia and Oman.

Building partner capacity and developing innovative technologies are part of NATO's core mission, and methods that address asymmetric threats like terrorism are of particular relevance. Much of this work is conducted through the Defence Against Terrorism Programme of Work (DAT POW), which aims to protect troops, civilians, and critical infrastructure against terrorist attacks, including suicide bombers, improvised explosive devices, rockets against aircraft, and chemical, biological, and radiological materials. The DAT POW also supports the implementation of NATO's spearhead force – the Very High Readiness Joint Task Force – by developing projects to improve troop readiness and preparedness.

Group of Seven (G-7): Within the context of the G-7 Roma-Lyon Group meetings on counterterrorism and counter-crime, the United States worked with RLG counterparts to draft the G-7 Action Plan on Countering Terrorism and Violent Extremism, which was included as annex to the G-7 Leader's Communiqué. Based on language in the action plan, the United States spearheaded an initiative to generate greater G-7 political and financial support to connect priority countries to INTERPOL's I-24/7 secure global communications system in an effort to help interdict foreign terrorist fighter travelers more effectively. The United States also sought to advance projects through the Roma Lyon Group's expert groups on counterterrorism, transportation security, high-tech crime, migration, criminal legal affairs, and law enforcement. In particular, the United States made substantial contributions to the counterterrorism expert group's terrorist threat assessment, which surveys a variety of emerging threats to G-7 countries.

Organization of American States' Inter-American Committee against Terrorism (OAS/CICTE): The OAS Inter-American Committee against Terrorism (CICTE) bolsters counterterrorism partnerships, cooperation, and information-sharing in the Western Hemisphere through promoting counterterrorism policies, training, and capacity building. In 2016, CICTE focused programs and activities on cyber and supply chain security as part of the OAS' long-standing work on critical infrastructure security and resilience. The 16th CICTE Regular Session took place in February 2016 in Washington, DC. The meeting brought together high-level experts and authorities from the region to discuss the use of the internet for terrorist and criminal purposes, critical cyber-security considerations for the development of the economy and a digital society, and confidence building measures in cyberspace.

The Caribbean Community (CARICOM): In 2016, CARICOM's Implementation Agency for Crime and Security (CARICOM/IMPACS) took steps to develop a coordinated regional counterterrorism strategy for the Caribbean, which it plans to release in 2017. CARICOM consulted with international partners including the United States, Canada, and the United Nations to identify best practices for inclusion in its counterterrorism strategy. This effort to improve cooperation and coordination builds on the CARICOM Crime and Security Strategy, approved in 2013.

Association of Southeast Asian Nations (ASEAN) and the ASEAN Regional Forum (ARF): Counterterrorism activities of the 10-member ASEAN and 27-member ARF countries included annual meetings on counterterrorism and transnational crime and capacity building

through ARF institutions. In 2016, the United States funded a grant for technical assistance, equipment, and training to improve and automate ASEAN member state reporting to INTERPOL's I-24/7 secure global communications system in an effort to help interdict foreign terrorist fighter travelers more effectively.

Asia-Pacific Economic Cooperation (APEC): In 2016, APEC continued to implement its comprehensive Consolidated Counterterrorism and Secure Trade Strategy. The Strategy, adopted in 2011, endorsed the principles of security, efficiency, and resilience, and advocated for risk-based approaches to security challenges across its four cross-cutting areas of supply chains, travel, finance, and infrastructure. The United States sponsored a follow-on workshop that built on the lessons learned from a 2015 workshop that highlighted the threat that foreign terrorist fighter travel poses to the Asia-Pacific region and that explained why advance passenger information and passenger name record (API/PNR) systems are effective at helping mitigate that threat. In particular, the follow-on workshop illustrated how API/PNR data can improve the effectiveness of domestic terrorist watchlists.

The African Union (AU): Funded by the United States, the AU has been working to help member states adopt its Model Law on Counterterrorism. The AU, in partnership with the UN Office on Drugs and Crime Terrorism Prevention Branch, currently is providing a team of legal experts to assist three pilot member states – Burkina Faso, Ghana, and Mauritius – in undertaking the process to update, strengthen, or create counterterrorism laws to ensure that member states have in place an effective rule of law-based criminal justice response to terrorism.

The Gulf Cooperation Council (GCC): In 2016, the U.S.-GCC Counterterrorism Working Group continued to collaborate on key areas of mutual interest including countering the threat from foreign terrorist fighters, countering violent extremism, and countering Hizballah. The Counterterrorism Working Group held three meetings in 2016, including one in April in Riyadh to launch the U.S.-GCC Countering Violent Extremism Network.

The United Nations (UN): Sustained and strategic engagement at the United Nations on counterterrorism facilitates the United States' ability to create strategic partnerships and coalitions, set global standards and norms, and build the political will and capacities abroad that are needed to deter and respond to terrorism. In this regard, an important priority in 2016 was to support the UN Secretary-General's Plan of Action to Prevent Violent Extremism (PVE), and encourage member states to implement its 71 recommendations in seven key areas:

1. Dialogue and conflict prevention;
2. Strengthening good governance, human rights, and the rule of law;
3. Empowering youth;
4. Engaging communities;
5. Gender equality and empowering women;
6. Education, skill development, and employment facilitation; and
7. Strategic communications, the internet, and social media.

One core recommendation of the PVE Plan is that member states consider developing national and regional PVE Action Plans, which would provide a strong foundation and entry point for the

United States, UN entities, and other donors to initiate capacity-building assistance projects where they are needed.

The UN General Assembly continued to be engaged in building norms and facilitating international consensus to counter terrorism. In addition to other annual resolutions on counterterrorism, member states reaffirmed the UN Global Counter-Terrorism Strategy (GCTS) and discussed key trends in terrorism during its biennial review and adoption of resolution 70/291 on July 1. The UN GCTS articulates principles and activities to address conditions conducive to the spread of terrorism, prevent and counter terrorism, build states' capacity and strengthen the role of the United Nations, while respecting human rights and the rule of law. In that vein, the Human Rights Council convened a panel at its 31st session in March to discuss the human rights dimensions of preventing and countering violent extremism and adopted a United States-supported resolution on the "Protection of Human Rights and Fundamental Freedoms While Countering Terrorism" in September.

The UN Security Council (UNSC) continued to promote international cooperation to stem the flow of foreign terrorist fighters by promoting implementation of UNSC resolution (UNSCR) 2178 (2014), a Chapter VII binding resolution that requires all states to "prevent and suppress the recruiting, organization, transporting, or equipping" of foreign terrorist fighters, as well as the financing of foreign terrorist fighter travel and activities. In 2016, the UNSC adopted several other counterterrorism-related resolutions, including: UNSCR 2309 on aviation security, which called upon States to require that airlines operating in their territories provide advanced passenger information; UNSCR 2322 on strengthening international judicial cooperation; and UNSCRs 2325 and 2331, which focused on weapons of mass destruction and trafficking in persons, respectively, with a nexus to terrorism and terrorist financing.

In addition, the United States engaged with a wide range of UN actors on counterterrorism, which included:

- **The Counter-Terrorism Committee (CTC) Counter-Terrorism Executive Directorate (CTED).** CTED continued its efforts to analyze capacity gaps of member states to implement UNSCRs 1373 (2001), 1624 (2005), 2178 (2014), and other counterterrorism-related resolutions, and facilitate training and other technical assistance to UN member states. This included the UN Security Council's Counter-Terrorism Committee thematic debates on a range of issues including stemming the flow of foreign terrorist fighters; depriving terrorists of accessing, moving, and raising funds; successful adjudication of terrorism-related cases; and preventing terrorists from exploiting the internet and social media to recruit and incite terrorist acts, while respecting human rights and fundamental freedoms.

- **The Counter-Terrorism Implementation Task Force (CTITF).** The United States supported CTITF efforts to create a capacity-building plan to assist member states' implementation of UNSCR 2178 and improve implementation of the UN Global Counter-Terrorism Strategy, including by serving on the Advisory Board of the UN Counter-Terrorism Centre (UNCCT), which delivers training and technical assistance. In 2016, the United States continued to fund a range of UNCCT and CTITF

activities including: promoting effective use of advance passenger information to stem the flow of foreign terrorist fighters; capacity building for Mali's security and justice sectors; a training initiative to secure open borders; implementing good practices on addressing and preventing terrorist kidnapping for ransom; supporting the working group on protecting human rights while countering terrorism; supporting media workshops for victims of terrorism; and supporting community engagement through human rights-led policing.

- **The UN ISIL (Da'esh) and Al-Qa'ida Sanctions Committee.** The United States worked closely with the UN 1267/1989/2253 ISIL (Da'esh) and al-Qa'ida Sanctions Committee and its Monitoring Team in 2016 by proposing listings and de-listings, providing amendments, engaging the Committee's Ombudsperson in de-listings, and providing input to the Committee to enhance its procedures and implementation of sanctions measures. The United States also assisted the Monitoring Team with information for its research and reports. There are 256 individuals and 75 entities on the Committee's sanctions list. In 2016, 20 individuals and one entity were added to the list. The Committee also worked to ensure the integrity of the list by conducting regular reviews and by endeavoring to remove those individuals and entities that no longer met the criteria for listing. Six individuals were de-listed, of which three individuals were de-listed following the submission of a petition through the Office of the Ombudsperson. In addition, one entity was delisted. The Committee also approved amendments to the existing sanctions list entries of 23 individuals and one entity.

- **The UN Office on Drugs and Crime (UNODC):** The UN Crime Commission that oversees UNODC as a governing body held a thematic debate in May on "Criminal justice responses to prevent and counter terrorism in all its forms and manifestations, including the financing of terrorism, and technical assistance in support of the implementation of relevant international conventions and protocols." The UNODC's Terrorism Prevention Branch (TPB) continued to provide assistance to countries seeking to ratify and implement the universal legal instruments against terrorism as well as providing assistance for countering the financing of terrorism in conjunction with the UNODC's Global Program against Money Laundering. The United States has engaged UNODC/TPB as a counterterrorism assistance implementer, supporting programming focused on strengthening the criminal justice system's response to terrorism by member states. Specifically, in 2016, the United States supported UNODC/TPB programs aimed at strengthening the legal regime against terrorism within a rule of law framework in the Sahel region.

- **The UN Inter-Regional Crime Research Institute (UNICRI):** The focus of UNICRI's work has been on rehabilitation efforts in prison. The United States has provided assistance support to a UNICRI-led global effort to strengthen state capacity to implement the good practices contained in the Global Counterterrorism Forum's *Rome Memorandum on Good Practices for the Rehabilitation and Reintegration of Violent Extremist Offenders* and to conduct a pilot program on diversion and use of alternatives for juvenile offenders charged with foreign terrorist fighter-related offenses. In addition, in 2016, the United States provided funding to UNICRI to bring it into the existing

initiative co-led by the International Institute for Justice and Rule of Law and Hedayah to rehabilitate and reintegrate returning foreign terrorist fighters.

- **The UN Development Programme (UNDP):** The UNDP engages countries to mitigate and prevent conflicts, including in East Africa, by developing national and regional strategies to counter and prevent violent extremism (PVE) and deepening research on PVE through its center in Oslo, Norway. In 2016, the United States provided assistance funding to UNDP to help strengthen community-police partnerships in high-risk communities. The UNDP sponsored a global conference in Oslo in March, which brought together non-governmental organizations and all of their regional and country directors to discuss approaches to PVE and later appointed a new global director for PVE.

- **The UN Security Council (UNSC) 1540 Committee:** The UN Security Committee monitors and fosters implementation of the obligations and recommendations of UN Security Council resolution (UNSCR) 1540, which establishes legally binding obligations on all UN member states related to the establishment of and enforcement of appropriate and effective measures against the proliferation of chemical, biological, and nuclear weapons, their means of delivery, and related materials to non-state actors, including terrorists. The 1540 Committee's program of work focuses on four main areas:

    - Monitoring and national implementation;
    - Assistance;
    - Cooperation with international organizations, including the UNSC committees established pursuant to UNSCRs 1267 and 1373; and
    - Transparency and media outreach.

    The 1540 Committee completed its second comprehensive review of the implementation of UNSCR 1540 in November 2016. The comprehensive review found that, while many states have taken important steps to strengthen prohibitions and controls on weapons of mass destruction and their means of delivery in fulfillment of their 1540 obligations, key gaps remain in areas that include biological and chemical security, and proliferation finance. To address these and other issues, the UNSC unanimously adopted UNSCR 2325 in December 2016. The new resolution calls upon States to intensify their efforts to fulfill their 1540 obligations and to submit timely reports on their efforts. It also gives the 1540 Committee a mandate to focus its work on major gaps where it might have the most value added, particularly noting a need for more attention on enforcement measures; measures relating to biological, chemical, and nuclear weapons; proliferation finance measures; accounting for and securing related materials; and national export and transshipment controls. In addition, it calls for greater assistance for building State capacity, including through voluntary contributions, and for greater cooperation among all stakeholders, including civil society, academia, and industry. The Committee's Group of Experts also participates as part of the Counter-Terrorism Implementation Task Force, and cooperates with INTERPOL, the UN Office of Drugs and Crime, the Financial Action Task Force, and other bodies involved in counterterrorism efforts.

- **The International Civil Aviation Organization (ICAO).** In September 2016, the UN Security Council unanimously adopted UN Security Council resolution (UNSCR) 2309, which calls on all States to ensure that effective, risk-based measures are in place at the airports within their jurisdiction and that such measures reflect the ever-evolving threat picture and are in accordance with international standards and recommended practices. The UNSCR calls on all States to strengthen information sharing among States and to require that airlines operating in their territories provide advance passenger information to appropriate national authorities to track the movement of individuals identified by the counterterrorism committees. It also urges all States to ensure cooperation among their domestic departments, agencies and other entities, and encouraged continued close cooperation between ICAO and the Counter-Terrorism Executive Directorate on identifying gaps and vulnerabilities in aviation security. ICAO's Universal Security Audit Program (USAP) continued to support U.S. security in its efforts to evaluate the capabilities of ICAO's member states in establishing, implementing, and performing oversight of National Civil Aviation Security Programs in compliance with Annex 17 security standards. In 2016, ICAO operated fully under its new USAP-Continuous Monitoring Approach, which aims to enable greater focus of resources on states requiring more assistance in meeting the Standards, allowing additional flexibility in where audits are focused and how follow-on activities are planned. Additionally, ICAO's Implementation Support and Development – Security Section continued to conduct training and assistance missions to help states correct security problems revealed by surveys and audits. ICAO is also working with member states to encourage incorporation of advance passenger information and passenger name record in the travel decision process and with priority countries on implementation of ICAO's public key directory program, as a means to validate e-passports at key ports of entry. ICAO and a task force of member states have begun work on drafting the Global Aviation Security Plan (GASeP) to reflect the reality and needs of the current threat and risk environment. Also, ICAO, with the World Customs Organization, is working to establish standard practices for enhanced screening of cargo.

INTERNATIONAL CONVENTIONS AND PROTOCOLS

A matrix of the ratification status of 18 of the international conventions and protocols related to terrorism can be found here: https://www.unodc.org/tldb/universal_instruments_NEW.html

LONG-TERM PROGRAMS AND INITIATIVES DESIGNED TO COUNTER TERRORIST SAFE HAVENS AND RECRUITMENT

COUNTERING VIOLENT EXTREMISM (CVE). CVE refers to proactive actions to counter efforts by violent extremists to radicalize, recruit, and mobilize followers to violence and to address specific factors that facilitate violent extremist recruitment and radicalization to violence.

State and the U.S. Agency for International Development (USAID) leverage a range of available diplomatic, development, and foreign assistance tools to have a demonstrable impact on preventing and countering radicalization and recruitment to violence, both online and offline.

The following five objectives guide our CVE assistance and engagement:

1. Expand international political will, partnerships, and expertise to better understand the drivers of terrorist radicalization and recruitment and to mobilize effective interventions.
2. Encourage and assist partner governments to adopt more effective policies and approaches to prevent and counter the spread of violent extremism, including changing unhelpful practices where necessary.
3. Employ foreign assistance tools and approaches, including development, to reduce specific factors that contribute to community support for violent extremism in identifiable areas or put particular segments of a population at high risk.
4. Empower and amplify locally credible voices that can change the perception of violent extremist groups and their ideology among key demographic segments.
5. Strengthen the capabilities of government and non-governmental actors to isolate, intervene with, and promote the rehabilitation and reintegration of individuals caught in the cycle of radicalization to violence.

State also works to counter the use of the internet for terrorist purposes, including countering violent extremism online. This includes:

1. Developing and promoting with foreign partners U.S. policy on countering the use of the internet for terrorist purposes;
2. Partnering with private sector, civil society, academia, and other governments to find creative and effective solutions;
3. Providing law enforcement training for foreign partners to more effectively counter terrorist activities online, including through Anti-Terrorism Assistance training;
4. Promoting and providing training for counter-messaging and alternative messages;
5. Providing foreign policy guidance and diplomatic coordination on U.S. counterterrorism-related cyber operations, as appropriate; and
6. Developing and providing training for Department and U.S. federal employees on CVE online and offline, including through the Foreign Service Institute.

The Department of State and USAID are pursuing a range of programs to assist partners around the world. Key areas of programming include the following:

- **Supporting the Development and Implementation of National CVE Action Plans:** The United States provides technical assistance to governments as they design and implement national CVE action plans, in partnership with civil society and the private sector. To reinforce these national action plan efforts, the United States supports Hedayah, the international CVE center in Abu Dhabi, by providing capacity building and technical expertise to interested governments.

- **Researching Drivers of Violent Extremism and Effective Interventions:** The United States supports innovative regional, country-based, and thematic research on the drivers of radicalization and recruitment to violence and on programming approaches. The United States supports the Researching Solutions to Violent Extremism Network, which connects academics and researchers to study the dynamics of CVE in specific, local contexts and identify effective CVE interventions. At the same time, the United States works with the Global Counterterrorism Forum (GCTF) to implement an expanded toolkit for addressing the life cycle of radicalization to violence.

- **Building the Capacity of Criminal Justice Actors and Institutions:** The United States is supporting programs, especially in the Horn, Sahel, and Maghreb regions of Africa to strengthen the CVE capacity of law enforcement, including police deployed to peace and stabilization operations, prison management and justice sector actors, and to help address drivers of terrorist radicalization such as corruption and human rights abuses. The United States also supports programs to train and assist corrections officials to counter radicalization to violence in prison settings and promote rehabilitation, including addressing returning foreign terrorist fighters.

- **Strengthening CVE Efforts by Sub-National, City, and Local Partners:** The United States supports the Strong Cities Network, a global network of municipal and other sub-national leaders and local government practitioners involved in building community resilience. The United States also contributes to the Global Community Engagement and Resilience Fund, the first multilateral fund supporting community-based projects that counter local drivers of recruitment and radicalization to violence.

- **Enhancing Civil Society's Role in Countering Violent Extremism:** The United States supports programs that empower youth as positive change agents in preventing violent extremism among their peers. The United States also supports programs that elevate the role of women in recognizing and preventing the spread of violent extremism in their families and communities.

Counter-Messaging and Promoting Alternative Narratives: With the leadership of the Department of State's Global Engagement Center (GEC), the United States supports efforts to help government and non-governmental partners to counter ISIS and other terrorist messaging and to promote alternative narratives. The United States supports a network of messaging centers that expose, refute, and counter online terrorist propaganda. These centers harness the creativity and expertise of local actors to generate positive content that challenges the rhetoric of ISIS and its supporters. The United States is also degrading ISIS's ability to operate in cyberspace due to an improved knowledge of its propaganda and recruiting networks, and to voluntary private sector efforts. Counter-ISIS content was more prevalent online and pro-ISIS content declined in 2016. The GEC works with Facebook to send highly-targeted messages to young Muslims showing signs of radicalization to violence. Videos in a recent campaign targeting specific people in Morocco, Saudi Arabia, and Tunisia were watched more than 14 million times. The effort has since expanded to other nations, including France, Jordan, and Libya.

The GEC also counters terrorist messaging through a network of civil society partners. The GEC launched its first partner-driven network, Families Against Terrorism and Extremism (FATE) in March 2016. The network, which supports skills building and intervention training for families at the forefront of violent radicalization, operates in key source countries for foreign terrorist fighters. FATE runs social media and programming in Arabic, English, French, German, and Russian, and has grown to include more than 80 organizations united to curb radicalization to violence and ISIS recruitment. One other such partnership is the GEC's *Amplifying Credible Voices* (ACV) program, which establishes and activates networks of CVE influencers in priority countries. ACV was launched in Albania and Kosovo in April 2016 with a counter-messaging workshop that convened and trained 46 CVE influencers from across sectors to design and execute locally resonant messaging campaigns.

CIVILIAN COUNTERTERRORISM CAPACITY-BUILDING PROGRAMS. As the terrorist threat has evolved and grown more geographically diverse in recent years, it has become clear that our success depends in large part on the political will and capabilities of our partners to counter terrorism. To succeed over the long term, we must have partners who can not only militarily disrupt threats and degrade networks in a way that comports with international laws and norms, but who have strong civilian capabilities, as well. We need law enforcement, justice sector, and corrections partners, who can disrupt attacks and investigate, arrest, prosecute, and incarcerate terrorists and their facilitation networks.

The United States uses various funding authorities and programs to build the capacity of law enforcement, justice, and corrections officials to counter terrorism. The Department of State's Bureau of Counterterrorism and Countering Violent Extremism oversees the following capacity-building programs: Antiterrorism Assistance, Countering the Financing of Terrorism, Counterterrorism Engagement with Allies, the Regional Strategic Initiative, and the Terrorist Interdiction Program. For further information on these programs, we refer you to the Annual Report on Assistance Related to International Terrorism, Fiscal Year 2016: https://www.state.gov/j/ct/rls/crt/267763.htm.

Congress has appropriated additional funding for the **Department of State's Counterterrorism Partnerships Fund**. This funding will allow us to significantly expand civilian counterterrorism capacity-building activities with key partner nations in the Middle East, North Africa and the Sahel, the Horn of Africa, South and Central Asia, Southeast Asia, and other regions as required to mitigate the threat posed by foreign terrorist fighters, prevent and counter terrorist safe havens and recruitment, and counter Iranian-sponsored terrorism.

REGIONAL STRATEGIC INITIATIVE (RSI). The Department of State's Bureau of Counterterrorism and Countering Violent Extremism uses RSI to promote a more regional and trans-regional approach to counterterrorism, to rapidly respond to and address emerging terrorism threats and related counterterrorism capacity gaps, and to complement and expand upon our targeted capacity building programs funded through the Counterterrorism Partnerships Fund, Antiterrorism Assistance program and other accounts. Current RSI efforts focus on stemming the flow of foreign terrorist fighters to Syria and Iraq, countering terrorist safe havens, and countering Hizballah's activities.

RSI funding in 2016 supported a wide variety of projects focused on regional law enforcement cooperation and effectiveness against transnational threats:

- Department of Justice advisors assisted Kosovo in processing foreign terrorist fighter cases and taking them to trial; this support contributed to more than 50 prosecutions.
- DOJ provided targeted technical assistance to Cote D'Ivoire's investigations into the al-Qa'ida in the Islamic Maghreb (AQIM)-linked attack at Grand Bassam in March 2016, producing valuable leads and resulting in improved regional cooperation on the investigation.
- RSI funding strengthened Brazilian counterterrorism preparedness through focused counterterrorism training prior to the Olympics.
- RSI funding was used to counter Hizballah. These funds assisted Gulf Cooperation Council (GCC) partners to implement the March 2016 GCC designation of Hizballah, enhanced the Cypriot government's ability to investigate and prosecute Hizballah cases (resulting in two successful prosecutions), and provided a forum for investigators and prosecutors to share information about Hizballah with their counterparts in other countries.

Programs to Counter Foreign Terrorist Fighters

A core component of the United States' Counter-ISIS strategy has been to prevent the travel of foreign terrorist fighters (FTFs) to and from the conflicts in Iraq and Syria. Since 2011, an estimated 40,000 FTFs have traveled to Iraq or Syria from more than 120 countries to fight alongside a number of violent extremist groups, including ISIS and al-Qa'ida's affiliate in Syria, al-Nusrah Front. Over the past year, the flow of FTFs travelling to Iraq or Syria declined significantly. Similarly, ISIS's attempts to establish a stronghold in Libya in 2016 attracted many FTFs, but by the end of the year, international pressure diminished ISIS's aspirations there.

As a result of declining FTFs flows, ISIS can no longer replenish its ranks lost on the battlefield in Iraq and Syria with new foreign recruits. The number of ISIS fighters has been reduced to its lowest level in more than two-and-a- half years. While the sustained military campaign and ISIS's loss of territory and resources are key factors, governments enacted a number of reforms and measures to make it demonstrably more difficult for FTFs to transit to and from Iraq or Syria.

Progress in the Fight: The United States undertook numerous bilateral and multilateral efforts to encourage partners to strengthen measures to counter foreign terrorist fighters. Our efforts, both multilateral and bilateral, are guided by UN Security Council resolution (UNSCR) 2178, passed in September 2014. UNSCR 2178 addresses fundamental measures necessary to stem the flow of FTFs, including increasing international information sharing, having in place and enforcing appropriate counterterrorism legislation, strengthening border security, and increasing efforts on counter-messaging. As a result, a number of countries took steps to implement UNSCR 2178 and as of the end of 2016:

- More than 60 countries have laws in place to prosecute and penalize FTFs activities.

- At least 65 countries have prosecuted or arrested FTFs or FTF facilitators.
- The U.S. has information-sharing arrangements with 59 international partners to help identify, track, and deter known and suspected terrorists.
- At least 26 partners share financial information within their country or with partners that could provide actionable leads to prosecute or target FTFs.
- At least 31 countries use enhanced traveler screening measures.

Returning Foreign Terrorist Fighters: With the appeal of fighting in Iraq or Syria diminished, thousands of FTFs returned home, and many in the international community are concerned these returning fighters will commit terrorist attacks at home. Since 2012, many of these returning fighters sought to reintegrate into society. A small number of these returning FTFs, however, relied on operational training, connections, and experience gained in Iraq or Syria to plot terrorist attacks or carry out an attack once returning home. In 2016 for example, returning FTFs were involved in a bombing in Istanbul, Turkey in January and the attacks in Brussels at the airport and a transit station in March.

Strategic Objectives and Initiatives: The Department of State played a pivotal role in the creation of an international framework for addressing the threat from FTFs and will continue to expand and deepen bilateral and multilateral engagement to counter the FTF threat and related radicalization and recruitment to violence. Over the course of the last four years, the Department of State has led interagency delegations to countries in Europe, North Africa, the Middle East, and Southeast Asia, and continues to work with our interagency partners to achieve the following objectives:

- Encourage and assist partners to employ more robust border and aviation security procedures to identify and interdict potential FTFs and those returning.
- Work with partners to identify, monitor, and address the travel of FTFs to and from Iraq and Syria and new areas affected by ISIS expansion, such as Libya.
- Enable partners to track and interdict travel by FTFs through more robust information sharing, watchlisting, and traveler screening.
- Encourage and assist partners to establish and employ the necessary legislative, administrative, policy, and criminal justice frameworks, capabilities, and tools to investigate, interdict, divert, prosecute, adjudicate, and incarcerate aspirant or returning FTFs.
- Encourage and assist partners to counter violent extremism and prevent radicalization to violence, including through community resilience programs and counter-messaging.
- Encourage and assist partners to develop comprehensive diversion and rehabilitation and reintegration programs for aspirant and returning FTFs, both inside and outside the prison setting.

SUPPORT FOR PAKISTAN

In 2016, the United States continued to build strong cooperation with Pakistan, including through U.S. assistance, as a stable, secure, prosperous, and democratic Pakistan is in the long-term U.S. national security interest. Although assistance levels have declined in recent years, to support this partnership, the United States has allocated civilian and security assistance totaling US $8.4 billion since 2009. U.S. security assistance to Pakistan is designed to build Pakistan's counterterrorism and counterinsurgency capacity. In addition, since 2001, the Department of Defense has reimbursed nearly US $14 billion in Coalition Support Funds for Pakistani expenditures in support of Operation Enduring Freedom.

Account	**FY 2014**	**FY 2015**	**FY 2016 653(a)**
Total Foreign Assistance	**853.6**	**802.8**	**632.2**
Economic Support Fund (ESF)	456.5	468.0	300.0
Global Health Programs (GHP)	-	-	22.5
Intl. Narcotics Control and Law Enforcement (INCLE)	55.4	40.0	40.0
Nonproliferation, Antiterrorism, Demining (NADR)	5.6	10.0	9.9
Foreign Military Financing (FMF)	269.9	265.0	255.0
International Military Education and Training (IMET)	4.9	4.8	4.8
Food for Peace Title II (FFP)	61.3	15.0	-

*figures in millions, US $

Since 2009, the United States has committed about US $5 billion in civilian assistance to Pakistan, in addition to more than US $1 billion for emergency humanitarian assistance. In 2016, the United States continued to focus on five sectors determined in consultation with the Pakistani government in 2011: energy; economic growth including agriculture; stabilization of areas vulnerable to violent extremism; education; and health. Emphasis on improving democracy, governance, and gender equity are integrated into programming across the five sectors.

Since 2009, U.S. assistance has made more than 2,400 megawatts available to Pakistan's electricity grid, benefiting some 28 million Pakistanis, and has helped Pakistan take steps to reform its troubled energy sector; funded the refurbishment or construction of nearly 1,100 kilometers of roads, enabling trade, security, and mobility; trained more than 5,600 police and 1,000 prosecutors across Pakistan; provided scholarships to approximately 15,000 Pakistanis to attend Pakistani universities, 50 percent of whom were women; and supplied better access to comprehensive family planning services to more than 100,000 women.

Energy: Chronic energy shortages severely limit Pakistan's economic development. As such, energy is our top assistance priority, supporting the goal of job creation, private sector growth, security, and political stability in Pakistan. U.S. assistance has helped Pakistan improve governance and management systems, and increase the country's distribution companies' revenue collection by more than US $400 million, as well as provide commercial opportunities

for U.S. businesses. The United States continued to fund infrastructure rehabilitation projects, especially in clean energy, and provided technical assistance to Pakistani energy institutions, including distribution companies, to increase power generation and improve performance.

The U.S. Agency for International Development's (USAID's) on-budget investments in energy generation, facilitated by the Energy Policy Program (EPP), contributed to increasing generation capacity, energy production, and the reliability of power. EPP helped Pakistan develop the contractual framework that led to the first importation of liquefied natural gas. Additionally, the U.S.-Pakistan Clean Energy Partnership will help the private sector add at least 3,000 megawatts of clean power generation infrastructure to Pakistan's national electricity system by 2020. Through the Partnership, USAID will support capacity building, technical assistance, USAID Development Credit Authority financial guarantees, business-to-business sales arrangements, and the construction of transmission lines to private projects to stimulate increased levels of private investment in clean power.

Economic Growth: Through a range of programs and public-private partnerships in agriculture and other sectors of Pakistan's economy, U.S. assistance helped Pakistan create jobs and foster economic growth. USAID programming will improve the financial and operating performance of at least 6,000 small and medium enterprises (SMEs) in a maximum of seven industrial, manufacturing, and service sectors. In June 2016 in New York, the U.S. and Pakistan governments convened the fourth U.S.-Pakistan Business Opportunities Conference. The U.S. Department of Commerce is providing technical assistance in the areas of trade facilitation, intellectual property reform, competition and telecommunications law, and commercial law education. Pakistani participants attend trade shows and get exposure to U.S. companies and business associations on best practices. More than 200 Pakistani private sector representatives attended trade shows in 15 different U.S. states.

The Department of Commerce also trains private sector professionals in a variety of industries, including supply chain, packaging, and gems and jewelry. To leverage this growing interaction with the private sector, the USAID Islamabad Mission has established a new Innovations and Partnerships unit, which will increasingly use public-private partnerships in Pakistan to leverage private sector financial resources and knowledge. One such example was USAID's partnership with the Nestle Foundation, which leveraged Nestle resources to increase milk yields by 11 percent and revenues on average by US $60 per month for 22,600 dairy farmers.

USAID has also provided US $72 million for the Pakistan Private Investment Initiative, which is matching U.S. funding with private equity capital to make nearly US $150 million available for investment in SMEs with high growth potential. Furthermore, the WECREATE Center, a co-working space and incubator for women entrepreneurs, originally received U.S. funding, but in 2016 became self-sustaining. In 2016, Pakistan sent the largest foreign delegation to the annual Global Entrepreneurship Summit, which took place in Silicon Valley. To further facilitate private investment by U.S. companies, the Overseas Private Investment Corporation has facilitated US $800 million in financing and insurance for projects in Pakistan.

Stabilization: The United States used civilian assistance to support Pakistan's efforts to make its territory inhospitable to terrorists by strengthening governance and civilian law enforcement

capacity and promoting socioeconomic development, particularly in areas bordering Afghanistan and other targeted locations vulnerable to violent extremism. USAID programs in the Federally Administered Tribal Areas (FATA) and Khyber Pakhtunkhwa (KP) strengthen the civilian government's ability to provide services, stabilize the area, and govern effectively.

Ten years of insurgency have resulted in frequent displacements of large populations to and from the FATA. In 2014, Pakistan's military operations to clear the area of violent extremists caused an escalation of displacement from the FATA, and the region still faces dire challenges, including disproportionate rates of illiteracy, child mortality, and poverty, compared to the rest of Pakistan. USAID is partnering with Pakistan to support the return and reconstruction of displaced communities, the delivery of essential services and the expansion of economic opportunities to strengthen long-term stability. It pairs these efforts with the promotion of alternative narratives to counter the efforts of violent extremists. U.S. efforts included financing road construction, small community-based grants, police and governance training, and construction of municipal infrastructure. In 2016, USAID engaged more than 21,000 citizens in the oversight of government institutions, through the establishment of oversight forums, networks, and committees. It provided more than 270 grants to Pakistani civil society organizations that build linkages between citizens and government institutions. Additionally, USAID assistance provided policy development and leadership training for 100 political party members and assisted more than 600 individuals from marginalized groups to engage with political parties.

Education: Pakistan's ability to educate its youth is critical to its economic growth and development, and future stability. U.S. education programs focused on increasing the number of students who enroll in and complete courses in primary and tertiary educational institutions; and improving the quality of that education – with a specific focus on early grade reading – to prepare Pakistani students for the workforce and provide high quality tertiary education that is responsive to market demands. The United States funds extensive exchange programs with Pakistan, including the largest U.S. government-funded Fulbright Program in the world, and since 2010, USAID has provided nearly 17,000 scholarships to students to attend university in Pakistan.

The United States has established 23 partnerships between Pakistani and U.S. universities to facilitate professional development for faculty, curriculum reform, joint research, and peer-to-peer interaction, including the U.S.-Pakistan Centers for Advanced Studies, partnerships which build Pakistani higher education capacity in three critical sectors – energy, agriculture, and water.

Under the U.S.-Pakistan Basic Education program, the United States supported Pakistan-led efforts to introduce and institutionalize improvements in reading instruction and assessment in Grades one and two across Pakistan with a goal of improving the reading skills of 1.9 million primary grade students. Reading programs have reached a total of more than 661,000 grade one and two students to date. The United States has also funded the rebuilding or renovation of more than 1,000 schools, helped upgrade 16 faculties of education, and provided English language training to 9,400 underprivileged Pakistani teenagers countrywide. To improve girls' education, Let Girls Learn was launched in October 2015, and since then the United States has worked with

communities in KP and FATA to address community-specific barriers to education for adolescent girls – reaching more than 265,000 girls with reading programs and assisting more than 38,000 girls to enroll or reenroll in school in FATA, KP, and Sindh.

Health: The provision of basic health services in Pakistan is inadequate for much of the population, particularly for rural communities. U.S. health programs supported the Government of Pakistan's efforts to deliver healthcare, particularly in the areas of immunization programs and maternal, child health, and family planning. U.S. assistance was also used to provide technical assistance to support Government of Pakistan initiatives to procure essential medicines and commodities, construct health clinics and hospitals, strengthen the use of health data at the provincial and district level to guide resource allocation, fund the acquisition of medical materials, and to support maternal and child health care. Since 2010, USAID has trained more than 47,000 health care workers, who served more than 7.35 million community members throughout Pakistan.

International Narcotics Control and Law Enforcement (INL): Pakistan took important steps to counter violent extremists operating in the conflict-affected areas bordering Afghanistan during 2016; these steps included intensifying support to civilian law enforcement and border security agencies. Over the course of 2016, INL helicopters flew more than 2,000 hours, providing reconnaissance, surveillance, casualty, and medical evacuation missions. In addition, INL helicopters provided defensive fire support to the Frontier Corps Balochistan while Pakistan security forces advanced on terrorist strongholds. INL oversaw the initiation, completion, or continued construction of 24 border outposts, bringing the total constructed by INL to 340 in KP and FATA, protecting the lives of the Frontier Corps, Frontier Constabulary, and the FATA Levies. In addition to training prosecutors in trial advocacy, INL built and furnished an office for the Prosecutorial Service in each of the 14 districts in KP, which provides the prosecutors, for the first time ever, a place other than their homes and police stations in which to work. INL also supported the opening of the 28-kilometer Matani Bypass road in 2016 creating greater access for KP farmers to get to market, commercial carriers to run between Pakistan and Afghanistan, and law enforcement agencies to access the remote areas of KP and the FATA. Collectively, these efforts enhanced the counterinsurgency, law enforcement, and counter-narcotics capacities of Pakistan's civilian law enforcement and border security agencies. Improved security will, in turn, facilitate economic development, which is necessary for long-term Pakistani stability and progress.

Nonproliferation, Antiterrorism, Demining, and Related Programs (NADR): The United States, through its Export Control and Related Border Security Program (EXBS) provided assistance to strengthen Pakistan's export control system to prevent transfer of WMD and related technology. The EXBS program focused on assisting the Pakistani government with enhancing Pakistan's regulation of strategic trade through increased licensing, building law enforcement capacity (with particular focus on commodity identification, investigations training, and cross border engagement), and expanding outreach to industry with the goal of promoting strategic trade control compliance. The Government of Pakistan made significant improvements to its national control list, which is now closely harmonized with the Missile Technology Control Regime, Australia Group, and Nuclear Suppliers Group control lists. During FY 2016, EXBS Pakistan carried out the End-Use/End-User Risk Analysis Workshop, the Regional Advance

Identification Training Workshop targeting Pakistan's Chemical Industry Representatives, and organized the International Visitor Leadership Program for the Pakistani Strategic Trade Controls and Enforcement officials. In April, EXBS donated weapons of mass destruction detection and identification equipment in the amount of US $1.6 million to Pakistan. The United States also provided targeted assistance to build Pakistani law enforcement capacity to detect, deter, and respond to terrorist threats. Specifically, the Department of State's Antiterrorism Assistance Program provided nine courses focused on instructor development, soft targets, counterterrorism investigations, and crisis response.

Humanitarian Assistance: Since October 2009, more than US $1 billion of emergency humanitarian assistance has been provided to Pakistan in response to floods and conflict, in addition to bilateral assistance. In 2016, USAID provided approximately US $60 million in humanitarian aid, early recovery assistance, and post-conflict development assistance to support the return of 600,000 internally displaced persons to their communities in the FATA.

Foreign Military Financing (FMF): FMF promotes the development of Pakistan's long-term counterinsurgency and counterterrorism capabilities to enhance security and stability throughout the country, particularly in the conflict-affected areas bordering Afghanistan, and to improve Pakistan's ability to lead and participate in U.S.-led maritime security operations that support maritime counterterrorism and counter piracy objectives in the Arabian Sea. The United States continued to focus FMF towards seven core capabilities: precision strike; air mobility/ combat search and rescue; battlefield communications; night operations; survivability and countering improvised explosive devices; border security; and maritime security.

International Military Education and Training (IMET): The IMET program supported professional military education for Pakistan's military leaders, emphasizing respect for the rule of law, human rights, and democratic values, including civilian control of the military. IMET also supported effective management of Pakistan's defense establishment through training in logistics, defense acquisition, and resource management. A portion of this funding supported modest technical and operational training that enhances Pakistan's overall professionalism and improves its counterterrorism and counterinsurgency capabilities. Pakistan received the largest amount of IMET of any of our global partners, at nearly US $5 million annually. Since 2009, the United States has trained more than 2,300 members of the Pakistan military and defense establishment. At approximately 1.5 percent, Pakistan consistently has the lowest IMET course forfeiture rate in the region and consistently remains well below the world-wide objective of 5 percent.

Measures to ensure that assistance has the greatest long-term positive impact on the welfare of the Pakistani people and their ability to counter terrorism: More than a quarter of U.S. civilian assistance is implemented via Pakistani partners, including the Government of Pakistan, private-sector actors, and civil-society and community-engagement partners, as practicable. This is done to strengthen local capacity and increase sustainability, providing the greatest possible long-term impact of U.S. assistance. Increasingly, U.S. assistance is also used for public-private partnerships to engage the private sector as a long-term partner in Pakistan's development.

COUNTERTERRORISM COORDINATION WITH SAUDI ARABIA

The United States and Saudi Arabia have a strong bilateral counterterrorism relationship. Multiple high-level visits in 2016 deepened this relationship at the personal and institutional level and provided senior officials from both countries the chance to discuss means of improving counterterrorism coordination.

During 2016, the Government of Saudi Arabia (SAG), working with the United States, continued to build and augment its capacity to counter terrorism and violent extremist ideologies, including al-Qa'ida in the Arabian Peninsula (AQAP) and the Islamic State of Iraq and Syria (ISIS). Saudi Arabia maintained its long-term counterterrorism strategy to track and halt the activities of terrorists and terrorist financiers, dismantle the presence or reconstitution of al-Qa'ida (AQ)-affiliates, impede the ability of militants to operate from or within Saudi Arabia, and continued to implement laws against supporting terrorist groups and travel to conflict zones. Saudi Arabia reinforced its efforts as a key member and active participant in the Global Coalition to Defeat ISIS, as evidenced by its co-leading counter-ISIS finance efforts alongside the United States and Italy. The Saudi government enhanced operations against ISIS, condemning its activities and participating in coalition's military action to defeat the group in Syria and Iraq, and pursuing an aggressive campaign against ISIS at home. Saudi Arabia implemented UN Security Council resolutions (UNSCRs) 2178 and 2199, and the UNSC ISIL (Da'esh) and al-Qa'ida sanctions regime; expanded existing counterterrorism programs and rhetoric to address the phenomenon of returning foreign terrorist fighters; and leveraged terrorist finance provisions of its Law for Crimes of Terrorism and Terrorist Financing (CT Law) and Royal Decree A/44 to counter the funding of violent extremist groups in Iraq, Syria, Lebanon, and elsewhere. In short, Saudi Arabia maintained a robust counterterrorism relationship with the United States and supported enhanced bilateral cooperation to ensure the safety of U.S. and Saudi citizens in both countries, and to enhance the security of infrastructure in Saudi Arabia critical to the global economy.

Saudi Arabia continued to cooperate with the United States to prevent acts of terrorism both through engagement in bilateral programs and through information exchange arrangements with the United States. During 2016, Saudi Arabia increased its public designations of individuals and entities for violating the Kingdom's laws criminalizing terrorist financing and support. In October, Saudi Arabia and the United States took joint action to simultaneously designate two individuals and one entity acting on behalf of Hizballah. In March, Saudi Arabia and the United States disrupted the fundraising and support networks of al-Qa'ida, the Taliban, and Lashkar-e-Tayyiba by imposing financial sanctions on four individuals and two organizations with ties across Afghanistan, Pakistan, and Saudi Arabia. In February, Saudi Arabia designated three individuals and four entities acting on behalf of Hizballah's commercial procurement network.

Saudi Arabia sought to further expand economic, civic, and entertainment opportunities for its people. In April, Deputy Crown Prince Mohammed bin Salman announced Vision 2030, Saudi Arabia's plan to empower the private sector and lessen the fiscal burden on the state to provide jobs and social welfare; diversify the economy away from oil to decrease reliance on volatile oil prices; and increase the participation of Saudi nationals in the labor force, especially women

and youth. The Saudi government has since taken several concrete steps to implement Vision 2030, including restructuring several ministries and public agencies, reducing public sector employees' compensation as part of an austerity program, and initiating a public relations campaign to underscore the need for large scale reform. The United States sent a high-level delegation to Saudi Arabia in October 2016 to show our support for Vision 2030 goals and continued to engage the Saudi government on economic and other reforms during high-level visits through the end of 2016.

While some individuals not directly associated with the government reportedly made statements that promoted intolerant views and funded or engaged in activities overseas that allegedly promote violence in the name of Islam, the Saudi government itself took several steps to curb violent extremism. The Saudi Ministry of Islamic Affairs continued to train and more strictly regulate imams, prohibiting them from inciting violence, and continued to monitor mosques and religious education. The King Abdulaziz Center for National Dialogue promoted tolerance and respect for diversity through its dialogue and awareness-raising programs. The Ministry of Interior continued to operate its flagship de-radicalization program (the Sakina Campaign for Dialogue) to counter internet radicalization. In 2016, Saudi Arabia launched a new Center for Intellectual Warfare designed to blunt ISIS's ideological appeal and counter violent extremist messages by discrediting what SAG officials characterized as "distortions" of Islamic tenets used in recruiting and ISIS propaganda.

Saudi Arabia also improved oversight of proselytization and Islamic charitable activities, especially during Hajj. The Saudi government appointed new leadership in various Islamic organizations to bolster efforts to counter violent extremism and streamline these organizations' charitable activities to enhance compliance with counterterrorism finance regulations. The Ministry of Islamic Affairs (MOIA) announced restrictions on foreign travel of Saudi-based clerics for *da'wa* (proselytization) activities, requiring them to obtain the government's permission before traveling. Additionally, the MOIA promulgated regulations restricting Saudi clerics' internal activities, for instance, requiring clerics to obtain permission before making media appearances even on Saudi networks. These are all part of centrally-coordinated efforts driven by the Saudi government's leadership to limit the ability of individuals with questionable credentials or affiliations to propagate extremist messages at home and abroad, and to restrict their ability to interfere in the domestic affairs of other countries.

During 2016, the Saudi government continued its ongoing program to modernize the educational curriculum, including textbooks, although this has not been completely implemented and some textbooks containing derogatory and intolerant references to Shia and non-Muslims remained in circulation. Under the rubric of Vision 2030, the Ministry of Education worked to consolidate religious courses, increase the focus on modern educational needs, and improve the quality of instruction, including through the development of teacher training initiatives.

The United States continued to support Saudi Arabia in reforms it is undertaking by facilitating Saudi nationals studying in the United States and promoting educational exchanges; encouraging increased bilateral trade and investment; urging Saudi Arabia to take actions necessary to attract job-creating partnerships with U.S. companies; and supporting programming in such areas as judicial reform and women's entrepreneurship, as well as the Ministry of Interior's

well-developed extremist rehabilitation program, the Mohammed bin Naif Counseling and Care Center, to reduce recidivism among former fighters charged with crimes related to terrorism.

Saudi Arabia cooperated regionally and internationally on counterterrorism issues, including its continued participation in the Global Counterterrorism Forum. Saudi officials issued statements encouraging enhanced cooperation among GCC and Arab League states on counterterrorism issues, and reaffirmed its determination to address all aspects of the threat at the national, regional and international, levels. The Saudi government hosted international counterterrorism conferences on subjects ranging from countering violent extremist ideology to media and terrorism.

On July 20, 2016 Saudi Arabia co-led the Defeat-ISIS Global Coalition Communications Working Group in Washington, DC, with the United States, the United Kingdom, and the United Arab Emirates; 28 other Coalition partners participated. The meeting focused on coordinated campaign messaging, the changing landscape of ISIS communications, and developing strategic partnerships between governments, the social media industry, and local actors.

Throughout the year, Saudi security professionals continued to participate in joint programs around the world, including in Europe, the United States, and a GCC joint military exercise focusing on counterterrorism and border security drills in Bahrain. In addition to Saudi Arabia's bilateral cooperation with the United States, Saudi officials also worked with other international counterparts to conduct counterterrorism operations and to exchange information. ISIS's continued threat to both Saudi Arabia and other GCC member states encouraged greater dialogue about information sharing, coordination of counterterrorism efforts, and the importance of strategic cooperation against terrorist groups seeking influence in the region.

Saudi Arabia maintained a close and effective counterterrorism relationship with the United States, and supported enhanced bilateral cooperation to ensure the safety of both U.S. and Saudi citizens within Saudi territories and abroad. After the establishment of the Saudi-led Islamic Counterterrorism Coalition in December 2015, the government hosted its first meeting of military chiefs on March 27. Representatives from 39 countries focused on ideological, financial, military, and media aspects to counter terrorism. Oman became the 41st country to join the coalition in late December 2016.

BROADCASTING BOARD OF GOVERNORS INITIATIVES: OUTREACH TO FOREIGN MUSLIM AUDIENCES

This section is provided by the Broadcasting Board of Governors (BBG)

Four of the five broadcast entities under the supervision of the BBG provided programming for countries with large Muslim populations in 2016: the Voice of America (VOA), the Middle East Broadcasting Networks (Alhurra TV, Radio Sawa, and Afia Darfur), Radio Free Europe/Radio Liberty (RFE/RL), and Radio Free Asia (RFA).

- Fifteen of RFE/RL's broadcast languages – approximately two-thirds of the total – were directed to regions with majority-Muslim populations, including Afghanistan, Azerbaijan, Bosnia and Herzegovina, Iran, Kazakhstan, Kosovo, the Kyrgyz Republic, Pakistan, Tajikistan, Turkmenistan, and Uzbekistan. Additional broadcasting to regions in the Russian Federation included the majority Muslim populations of Bashkortostan, the North Caucasus, and Tatarstan.
- VOA has been particularly successful in reaching non-Arabic-speaking Muslim audiences in Afghanistan, the Balkans, Indonesia, Nigeria, Pakistan, and Tanzania, among other places.
- The Middle East Broadcasting Networks – Alhurra Television, Radio Sawa, and Afia Darfur – broadcast to more than 340 million people.
- MBN launched the *Raise Your Voice* initiative across television, radio, and digital platforms. *Raise Your Voice* encourages Iraqis to speak out against the underlying causes of violent extremism and look for solutions to unite their country.
- VOA and RFE/RL provided news and information to Afghanistan and the Afghanistan-Pakistan border region in Dari and Pashto. Together, RFE/RL and VOA reached 53 percent of Afghan adults each week.
- Radio Free Asia broadcast to the more than 16 million mainly ethnic Uighur Muslims in the Xinjiang Uighur Autonomous Region of northwestern China and Central Eurasia.
- In partnership with Radio Free Asia, the online news operation Benar News reached predominantly Muslim audiences in Bangladesh, India, Indonesia, Malaysia, and Thailand. These communities often lacked access to accurate and balanced journalism, but are exposed to a proliferation of violent extremist narratives. Benar News countered those narratives by publishing credible domestic news, features, analysis, and commentary in multiple formats – text, video, and pictures – in five languages: Bahasa Indonesia, Bahasa Malaysia, Bengali, English, and Thai.

BBG used the latest communications technologies to avoid jamming of its signals, and to reach audiences through digital and other communications tools, such as mobile and messaging apps and social media platforms.

THE MIDDLE EAST

Arabic: Middle East Broadcasting Networks (MBN) has seven bureaus/production centers in the region, in addition to its main studios in Virginia, and a network of regional correspondents. MBN broadcast to a population that included an estimated 317 million Muslims – 23 percent of

the world's Muslim population. MBN used three platforms: television (Alhurra TV, Alhurra-Iraq TV), radio (Radio Sawa, Radio Sawa Iraq, and Afia Darfur), and digital (Alhurra.com, RadioSawa.com, and Irfasaatak.com) – and all of their corresponding social media pages. Topics included freedom of speech, religion, and the role of women in society and politics.

Iraq: Every week, 42.6 percent of Iraqi adults – some 6.3 million people – listened to or watched one of the three BBG broadcasters serving the country: Alhurra TV, Radio Sawa, and VOA Kurdish. One third (34.5 percent) of Iraqis said they used Alhurra-Iraq (TV and digital) for news and information in the past week. Radio Sawa Iraq is one of the top radio stations among adults. VOA Kurdish reached 5 percent of Kurdish-speaking Iraqis weekly.

In 2016, MBN expanded the *Raise Your Voice* initiative, a multi-platform campaign for Iraqi audiences across television, radio, and digital, composed of five television programs, one radio program, an interactive website, and a digital team to engage audiences on *Raise Your Voice* social media properties. This initiative, entirely in Arabic, is designed as a non-sectarian platform to encourage citizens to speak out and be a part of the discussion about the fight against terrorism.

The *Raise Your Voice* initiative complements MBN's established programming that highlights human rights, freedom of religion, female empowerment, and free speech. New MBN programs and examples of impact include:

- **Changing Viewpoints About ISIS:** In surveys conducted in Iraq, 44 percent of Alhurra viewers said that something they saw on Alhurra led them to think differently about ISIS.
- **Launch of *What's Your Opinion TV*:** Following the success of Radio Sawa Iraq's call-in show, Alhurra-Iraq launched a weekly televised call in a show that encourages viewers to express their points of view on a singular topic that addresses what can be done to improve Iraq.
- **Radio Sawa's Call-In Shows Provide an Outlet for Those Living Under ISIS Control:** Radio Sawa Iraq's two daily call-in programs regularly received calls from ISIS-controlled areas such as Mosul and Hawijah. When Iraqi Armed Forces started to retake Mosul, commanders came on the radio network to instruct Iraqis how to stay safe while there was fighting in their neighborhoods.
- **Engaging and Countering ISIS Sympathizers:** Alhurra's *Raise Your Voice* Facebook page has had repeated interaction with ISIS sympathizers. In one example, a few ISIS sympathizers commented on an article regarding ISIS military defeats, saying that ISIS represents Islam and will not be defeated. The *Raise Your Voice* moderators replied with links to information about how ISIS is being defeated in Iraq and Syria. Audience members also commented saying the sympathizers are wrong, and discussed how ISIS is a terrorist group and should not be considered representative of Islam.
- **Alhurra Produced a Documentary On Ordinary Citizens Fighting Violent Extremism:** Alhurra Television's *Invisible Enemy* is a three-part documentary series that took an in-depth look at what Moroccan citizens are doing to counter violent extremism. It examined the role that Morocco plays in the regional and international fight against terrorism and how government and community leaders are taking steps to

eradicate the roots of terrorism. *Invisible Enemy* follows key members of Moroccan society as they address what they are doing to fight violent extremist ideologies.

- **Launch of *Sit B'Mit Ragal* (Arabic for "A Woman is Worth 100 Men"):** Alhurra aired two seasons of this critically-acclaimed program that profiled four Egyptian women embarking on traditionally male-dominated jobs. They each talked about their career journey and the challenges they faced trying to make inroads in Cairo's tough business environment.

VOA Extremism Watch Desk: In late 2015, VOA established the Extremism Watch Desk to acquire content in eight different languages focused on ISIS and its activities. That content is translated into English and is shared with VOA's 45 language services, VOA Central News, and other BBG networks.

The Watch Desk launched a social media presence on Twitter and YouTube in early 2016, is establishing a blog for the main VOA English web site, and added a video producer to handle relevant video content for television and the worldwide web. In the summer of 2016, the VOA News Center added permanent placement on the homepage at VOANews.com, titled *Extremism Watch*, where content from the Extremism Watch Desk is disseminated to a worldwide audience in English. It has broken news on violent extremism and produced special projects such as *Descent into Jihad*, which was translated into more than 20 languages for dissemination.

Kurdish: The VOA Kurdish Service covered ISIS attacks in the Kurdistan region on a daily basis, with interviews and stringers reporting from the region. The service's stringers: Kawa Omer, Dilshad Anwer, Salam Balayee, Ahmed Zebari, Zhiyar Omer, and Salah Aldin Abdullah, reported regularly for radio and television about ISIS. Their reports, which included interviews with people on the ground − including individuals who had escaped ISIS captivity − were shared with VOA's Watch Desk and its newsroom.

Braving significant security risks, stringer Kawa Omar visited Mosul as the Iraqi forces liberated neighborhoods there. He spoke with refugees as they fled and also spoke with Iraqi soldiers.

In Syria's Kurdish region, VOA stringers Zana Omer, Mahmoud Bali, and Amina Misto reported on the local fight against ISIS, generating daily television coverage. On-the-ground interviews included Kurdish and other regions' commanders. Call-in shows and roundtables focused on ISIS. Many Kurdish television stations had Skype interviews with the Kurdish Service staffers to talk about events happening in the region, including NRT TV, Rudaw TV, and Orient TV.

To provide context and to explain events, the Kurdish Service regularly interviewed officials and analysts. In 2016, the Kurdish Service also covered various conferences and discussions about ISIS in Washington DC.

Persian: VOA's Persian Service provided critical global and regional news relating to Iran and crucial information about U.S. policy toward Iran and the region.

- In 2016, VOA Persian focused on covering the U.S.-led Global Coalition to Defeat ISIS members providing training and equipment to Peshmerga units in Iraqi Kurdistan, to help

them in their fight against ISIS. While on a reporting assignment in Erbil, Iraq, VOA Persian reporter Ali Javanmardi produced a series of exclusive television reports covering the Defeat-ISIS Coalition's preparation for Mosul. Javanmardi also hosted the weekly show "New Horizon," which focused on Operation Inherent Resolve, a multinational effort to train and equip local fighting forces in Iraq and Syria.

- In Washington, VOA Persian focused on exposing the role that the Islamic Revolutionary Guard Corps (IRGC) played in supporting and controlling Hizballah units in Syria. VOA Persian produced a series of television packages and exclusive interviews with Emanuele Ottolenghi and Behnam Ben Taleblu, researchers from The Foundation for Defense of Democracies. They documented Mahan Air, an Iranian airline with close relations to the IRGC, providing airlifts to IRGC personnel, who were flown between Iran, Iraq, and Syria for military training.
- VOA Persian also provided in-depth broadcast and digital coverage of several congressional hearings where members expressed concerns about Iran's failure to address the risk of terrorist financing. Coverage included a hearing before the House Committee on Financial Services (Task Force to Investigate Terrorism Financing) and a hearing before the House Foreign Affairs Committee on the topic of "Terrorism, Missiles and Corruption: The Risks of Economic Engagement with Iran."
- VOA Persian conducted an exclusive interview with General Michael Flynn, at the time an advisor to the Trump presidential campaign and, later, President Trump's National Security Advisor. VOA Persian conducted another exclusive interview with Dr. Michael Ledeen, General Flynn's co-author of the 2016 book *The Field of Fight: How We Can Win the Global War Against Radical Islam and Its Allies*.
- Another exclusive interview was conducted with Dr. Michael Doran, a Senior Fellow at the Hudson Institute and author of the 2016 book *Ike's Gamble: America's Rise to Dominance in the Middle East*. The interview with Dr. Doran provided a closer look at the power struggles within the Middle East and in-depth analysis of the sectarian divide between Sunni and Shia forces.

RFE/RL's Radio Farda broadcast newscasts at the top of each hour, followed by reports, features, interviews, and regular segments on youth, women, culture, economics, and politics.

- Radio Farda reported from Mosul and from Aleppo, Syria.
- In 2016, Radio Farda launched a new radio and digital program called *Taboo*, which provided a forum to discuss topics that would otherwise be considered taboo in Iranian society, such as the issue of government interference with people's lifestyles and what comprises the common Turkic identity.
- Radio Farda produced comprehensive monitoring of human rights inside Iran. Reportedly, prison inmates listen to the program regularly, relying on it for accurate reporting about their cases. In 2016, Farda produced and aired a 45-minute documentary about interrogation techniques in Iranian prisons, focusing on the personal testimonies of political and civic activists.
- Radio Farda now has more than 1.7 million fans on its main Facebook page. During 2016, Farda expanded its social media engagement with audiences on social media that were not blocked in Iran.

- Radio Farda's circumvention strategies to fight internet blockage by the Iranian regime remained successful, with nearly 217 million page views logged in 2016.

SOUTH AND CENTRAL ASIA

VOA South and Central Asia Division (SCA) has been one of the most active divisions in investigating violent extremism around the world. It covers the area from Syria to Iraq, Turkey, Central Asia, and all of South Asia. During 2016, the division provided news coverage of ISIS activities in Iraq, Syria, Turkey, and the South and Central Asia regions, and U.S. policies and activities to address the threat. Production spanned radio, television, online, and social media.

Afghan Service: The Afghan Service continued its coverage of violent extremists' actions in the country and the region. Call-in shows, round table discussions, interviews, and many other programs are produced on a daily basis.

In an exclusive interview with VOA Afghan Service, two former ISIS commanders in eastern Afghanistan described their enlistment with the terrorist group. The television interviews went viral on VOA Dari and Pashto social media and generated extensive audience engagement.

VOA Afghan Service was the first to report on ISIS' drive to generate revenue through deforestation and by the levying of taxes on farmers in eastern Afghanistan. In addition, the service did a series reporting on ISIS' drive to ignite Iraq-like sectarian violence in Afghanistan. After ISIS suicide attackers targeted Muslim Shia sites in Kabul and elsewhere in the country, VOA spoke to Shia and Sunni leaders, analysts, and ordinary citizens about ISIS' agenda to provoke wars in Afghanistan.

- RFE/RL's Radio Free Afghanistan also conducted reporting and analysis on atrocities committed by ISIS, with a focus on those inflicted on Afghan civilians. In early 2016, the Service's ISIS coverage concentrated on the eastern Nangarhar Province, where government forces and local volunteers fought to reclaim parts of the six districts lost to ISIS extremists in early 2015. In the later part of the year, the Service led Afghan media in reporting on new ISIS safe havens in the eastern Kunar and Nuristan provinces after its fighters were defeated and chased out of Nangahar. Additionally, the video of an attack in Kabul on a Shia religious ceremony, in which more than 80 people died, was widely viewed and shared online. While covering ISIS in Afghanistan, the Service emphasized the regional aspects of this story, covering the organization's links to neighboring Pakistan where a majority of its fighters are recruited – as well as links to Central Asia.

The Pakistan/Afghanistan Border Region: VOA Deewa and RFE/RL Radio Mashaal broadcasts go directly to the Pakistan-Afghanistan border regions.

Deewa: VOA Deewa broadcasts to millions of Pashtuns in the border region of Afghanistan and Pakistan. VOA Deewa's special daily broadcast engages youth and women in shaping narratives for promoting girls' education, coexistence, diversity, democracy, human rights, and tolerance.

In 2016, VOA Deewa engaged U.S. Congress members, think tanks, religious scholars, and Muslim opinion leaders to address radicalization to violence after the terrorist attacks in California, Florida, New Jersey, and New York. Deewa's access to U.S. leaders and opinion makers gave the agency a unique advantage over other foreign media outlets. Deewa reached out to prominent moderate religious scholars throughout the target regions and the broader Muslim world.

- RFE/RL's Radio Mashaal continues to offer programming that serves as an alternative to the violent extremist rhetoric in the region.
  - One of Mashaal's key programs is the weekly, *Towards Peace*, which is aimed at promoting dialogue and democracy as a means of conflict resolution in Pakistan's tribal regions. The program includes talks with experts, tribal leaders, and other relevant stakeholders to examine ways to achieve political goals, settle disputes, and solve problems through non-violent means.
  - To underscore the message of peace and pluralism, a 2016 Radio Mashaal short documentary, *Vanishing History*, focused on the importance of the 2000-year-old historical sites of Khyber Pakhtunkhwa, which carry a message of religious tolerance. The sites are associated with the ancient Kingdom of Gandhara, where followers of several religions lived together in relative peace.

Urdu Service: Pakistan is among the countries most affected by terrorist groups, and VOA Urdu's coverage has largely concentrated on that. The service provided comprehensive coverage of Pakistani military operations against terrorist groups in 2016. Several high-profile interviews, including with NGOs, were conducted to discuss the drivers of violent extremism and ways to counter it.

Bangla Service: The Bangla Service gave minute-by-minute reporting of the Holey Artisan Bakery attack in Dhaka in July 2016, with comments from local security, government officials, two-way interviews with Dhaka reporters, and other terrorism experts. A VOA stringer in Dhaka was the first to get comments from the Italian Ambassador in Dhaka, which was shared throughout VOA.

Turkish Service: VOA Turkish Service became increasingly critical in covering counterterrorism, as Turkey assumed an important role within the Global Coalition to Defeat ISIS. The VOA Turkish Service produced more than four hours of live original television news content per week, another 30 minutes of a recorded magazine show, and five hours of repeated news shows. The service also maintained a strong presence on Turkish television and the internet. Content was distributed nationwide via affiliates TGRT Haber TV and Ege TURK TV, and online affiliates Mynet and Daily Motion. VOA Turkish provided substantial reporting for CNN Turk, NTV, and Haber TURK TV stations, with broadcasters appearing as guests, and VOA Turkish preparing special programming for those stations.

Events in Turkey demanded strong and nuanced news coverage. Turkish stringers in Ankara, Diyarbakir, and Istanbul covered Turkey's security operations against suspected ISIS militants and recruiters inside Turkey. Coverage of Turkey-Syria-U.S.-ISIS issues and interviews with

experts were often picked up by a variety of Turkish media outlets, and were attributed to VOA Turkish.

Azerbaijani Service: VOA Azerbaijani continued its coverage of issues related to counterterrorism efforts, with interviews of current and former officials, political experts, and civil society activists. It closely monitored political trials of individuals accused of involvement in terrorist activities and regularly informed the public of threats posed by violent extremists in the country and region at large.

In July 2016, VOA Azerbaijani spoke to Mubariz Gurbanli, the head of the Azerbaijani State Committee on Working with Religious Institutions. He discussed authorities' efforts to counter the growth of radicalism on ideological, economic, and legal fronts. VOA Azerbaijani monitored the trials of those who had been accused of fighting for ISIS, al-Nusrah Front, and other terrorist groups in Syria and Iraq. VOA Azerbaijani also interviewed a former intelligence official about the country's intelligence capacity to counter terrorist threats.

Despite the December 2014 raid by Azerbaijani authorities on RFE/RL's Baku bureau, which led to the bureau's formal closure in May 2015, RFE/RL's Azerbaijani Service, known locally as Azadliq, continued to offer coverage of under-reported events in the country by leveraging social media and mobile applications to provide critical regional news to audiences in Azerbaijan.

- Beginning in FY 2016, Azadliq started production of a daily 15-minute news and current affairs television show, *Azadliq A-LIVE*, which airs on Facebook, YouTube, mobile and Smart TV apps, and the service's website. Audio streams were also available on those platforms, as well as the TurkSat and Hotbird satellites.
- *Azadliq*'s YouTube channel is one of the most popular channels in Azerbaijan, with more than 100,000 subscribers and 40 million views in FY 2016, up from 10 million in FY 2015.
- In November, Azadliq launched a new unbranded project, Makroblog, to serve as an open platform for residents to publish, share, and discuss their views on public issues.

The BBG's Central Asian Services engaged audiences to demonstrate that ISIS' interpretation of Islam is at odds with that of prominent religious scholars. ISIS' recruitment efforts were covered extensively by RFE/RL's Central Asian Services, from the foreign terrorist fighters leaving Central Asia for Syria, to the families left behind.

In late-2015, RFE/RL launched an experimental wire service for Central Asia, to provide objective news to media outlets. In 2016, the number of subscribers to the service exceeded 700 media professionals and outlets. The service provided news in the Kazakh, Kyrgyz, Russian, Tajik, and Uzbek languages.

Kazakhstan: RFE/RL's bilingual Kazakh Service focused primarily on digital distribution of Kazakh and Russian language content, as well as additional digital television programs. The Service covered stories that were otherwise suppressed or did not receive widespread attention, such as the radicalization and recruitment of Kazakh youth into ISIS.

Kyrgyz Republic: Coverage of international events and life in foreign countries by RFE/RL's Kyrgyz Service worked to counter the influence of violent extremism and the growth of anti-Western sentiment in the Kyrgyz Republic. The Service's programming included a radio program called *Religion and Us*, which addressed a variety of issues involving Islam and other religious groups in the Kyrgyz Republic. The Service also sought to provide better in-depth analysis of Kyrgyz stories with both regional and international perspectives.

The weekly reach of RFE/RL's Kyrgyz Service rose in 2016 to 39.4 percent of the population. The Service's weekly television news programs -– the political talk show *Inconvenient Questions*, youth-oriented *Azattyk+*, and regional news segments – aired on a number of local affiliates, reached 37.4 percent of Kyrgyz citizens on a weekly basis.

Tajikistan: RFE/RL's bilingual Tajik Service (Tajik and Russian) distributed news and information through broadcast, satellite, and online platforms, and the Service's website regularly reached more than one million users per month. The Service's coverage of Tajik youth who were killed while fighting for ISIS featured original interviews with their parents and shed light on ISIS for Tajik society and the government.

Turkmenistan: RFE/RL's Turkmen Service is the only media in Turkmenistan offering alternative and uncensored news and information to a completely closed society where people cannot voice their opinion, participate in discussions, or freely express and exchange their ideas.

Uzbekistan: VOA's Uzbek Service addressed growing ISIS recruitment in the Central Asia Region with in-depth stories related to radicalization among young males and females in Northern Afghanistan, the Kyrgyz Republic, Tajikistan, and Uzbekistan. VOA Uzbek also covered ethnic and religious tolerance among different U.S. communities. RFE/RL's Uzbek Service is one of the few sources of reliable news and information for people in Uzbekistan. The Service relies on constant innovation and a wide network of local sources to uncover news and engage with audiences. It has more than 50,000 contacts on Skype, Viber, WhatsApp, Telegram, and IMO who act as citizen journalists, sending news, photos, and videos from all corners of Uzbekistan, helping to verify information, since the Service is prevented from having a bureau in Tashkent.

EAST ASIA AND PACIFIC

China: VOA delivered news, including coverage of religious and local issues affecting more than 23 million Chinese Muslims, via satellite television, radio, internet, social media, and mobile channels in Cantonese, Mandarin, and Tibetan. Coverage included Chinese government policies and treatment of ethnic Uighurs and Tibetans.

Indonesia: VOA Indonesian had a weekly audience of more than 48 million people, constituting 28.4 percent of the adult population – a 33 percent increase since 2014. The service's highest rated segment is produced for *Berita Islam Masa Kini* (*Islam News Now*) on national station TransTV, reaching 11.8 percent of Indonesian adults. The VOA Indonesian Service routinely covered terrorist developments in Indonesia, including responses of both the

Indonesian government and Indonesian civil society. The Indonesian Service also reported on ISIS, as well as U.S. and international responses to those events.

Thailand: VOA's Thai Service has 16 affiliate radio stations in every region in Thailand. VOA Thai broadcast more than nine hours of news and information per week to its affiliates, in addition to producing a weekly video report for placement with Thai News Network, a 24-hour news channel and VOICE TV. The programs emphasized the U.S.-Thai relationship, U.S. policies towards Asia, business, science, women, environment, education, American cultures, and Thai communities in the United States. VOA Thai broadcast to south Thailand via three radio affiliates in Songkhla and Pattani province. VOA Thai has also expanded its online platform, sharing its news and content on its website, Facebook, YouTube, and a mobile application.

Burma: VOA's Burmese Service closely monitored and reported on relations between the Buddhist and Muslim communities in Burma, particularly in Arakan State. VOA's weekly call-in discussion programs provided opportunities to discuss national elections and sensitive issues, and to stimulate further dialogue. The service also presented U.S. and international opinions on the sensitive national issue of intra-religious relations. On a daily basis, VOA Burmese broadcast radio and television programs via shortwave radio, domestic affiliates, satellite, and also via popular web and mobile sites. The VOA Burmese Bureau in Rangoon participated in local ethnic media seminars to discuss professional journalism standards and to identify and counter messages of hate.

Radio Free Asia's Uighur language service broadcast two hours daily, seven days a week. It was the only international radio service providing impartial news and information in the Uighur language to the potential audience of more than 16 million Uighur Muslims in northwestern China and Central Eurasia. Consistent with RFA's mandate, the Uighur service acted as a substitute for indigenous media reporting on local events in the region. Its programs included breaking news, analysis, interviews, commentary, a weekly news review, and feature stories.

- RFA launched a web page devoted to the Uighur diaspora in the west, *Between Identity and Integration*. The page charted ethnic Uighur migration since 1949, with interviews, research, and multimedia content.
- The Uighur Service first reported on Chinese authorities in Xinjiang ordering local residents to attend a weekly patriotic flag-raising ceremony and sing the Chinese national anthem, in addition to further controls imposed during the holy month of Ramadan, when officials restricted Uighurs from attending prayers at mosques and observing religious practices.
- The Uighur Service broke the news of the sentencing of a Uighur man for viewing a "sensitive" film in China. The report, part of ongoing coverage of China's free speech restrictions on Uighurs, was cited by numerous global and Chinese-language outlets.

Radio Free Asia's Burmese language service closely monitored the humanitarian crisis of Burma's Rohingya Muslim minority and denial of basic rights. In November, RFA first reported on Burmese soldiers burning down Rohingya homes in border communities and assaulting Rohingya men and women.

BenarNews, an online news portal affiliated with Radio Free Asia, reached predominantly Muslim audiences in Bangladesh, India, Indonesia, Malaysia, and Thailand. These communities were exposed to violent extremist narratives supporting the ideology of terrorist groups like ISIS. BenarNews countered those narratives by publishing credible domestic news, features, analysis, and commentary in multiple formats in languages, including Bahasa Indonesia, Bahasa Malaysia, Bengali, English, and Thai. BenarNews investigated violent extremism and its consequences in programs such as *Torn Lives*, which highlighted the human cost of extremist violence in Asia; and *Dangerous Words*, which focused on the 2016 blogger murders in Bangladesh. BenarNews also provided extensive coverage of the ISIS-claimed terrorist attack in Dhaka in July 2016.

EUROPE AND EURASIA

The Russian Federation and Ukraine: In October, BBG launched *Current Time*, a 24/7 Russian-language digital network. *Current Time's* mission is to provide fair and accurate reporting, serving as a reality check on disinformation, including ISIS propaganda messaging. The program is distributed digitally, via satellite and cable providers to more than 30 television affiliates in Estonia, Georgia, Germany, Israel, Kazakhstan, the Kyrgyz Republic, Moldova, Latvia, Lithuania, Tajikistan, and Ukraine. Initial content for the digital network includes approximately six hours of original television programming providing critical regional news and information.

Current Time is available to 7.3 million subscribers on 36 subscription satellite, cable, and internet services in nine countries. The entire live stream is available globally to another 75 million monthly unique users on FilmOn.tv and regionally to another 32 million monthly unique users on MeGoGo. The stream also goes to air Eutelsat Hotbird satellite which, according to Eutelsat, is received in 135 million homes.

The project is also taking advantage of the large over-the-top-TV (OTT) market in the region and worldwide through partnerships with global OTT powerhouse, Filmon.tv; a new entry to the OTT distribution market, Dutch-based Mobile2Morrow; and a strong regional player, MeGoGo.

With nearly 1.2 million households, Volia Cable in Ukraine is the largest cable distributor of the *Current Time* TV stream.

VOA's Russian and Ukrainian Services regularly addressed terrorism-related issues and threats in Europe and the United States, and other areas of interest to the target audience.

VOA Russian Service reporter Roman Mamonov provided exclusive and comprehensive coverage of the 2016 attacks on an Orlando nightclub. Fatima Tlisova, a subject matter expert detailed from the Russian Service to VOA's Extremism Watch Desk, produced numerous reports on ISIS propaganda operations in Russia and attempts to recruit Russian Muslims to fight in Syria and Iraq.

South Caucasus: VOA's Georgian Service provided extensive coverage of developments in Georgia's Pankisi Gorge Region. In a series of reports distributed online and through social media, the Georgian Service examined ISIS's propaganda and recruiting efforts and interviewed

members of the local community who exposed ISIS's efforts of luring young Georgian recruits with fraudulent promises of jobs and a better life.

Tatarstan/Bashkortostan and North Caucasus: The Tatar and Bashkir communities are the two largest Muslim communities in Russia. RFE/RL's Tatar/Bashkir Service was the only major international media organization that produced content in the Tatar and Bashkir languages, providing listeners with objective news and analysis on issues such as Russia's policy toward ethnic and religious minorities, centralization, corruption, the role of Islam in predominantly Muslim regions, and gender issues. Broadcasting in Chechen, RFE/RL's North Caucasus Service reported news in a region where media freedom and journalists remained under severe threat.

In both of these markets, RFE/RL also developed local websites to report news and information for individual cities and their surrounding regions. In 2016, the Tatar-Bashkir and North Caucasus Services launched Russian language websites to complement the Services' continuing reporting in the Bashkir, Chechen, and Tatar languages while extending their reach to new audiences. The websites targeted those regions particularly vulnerable to disinformation.

The Balkans: During 2016, VOA's Balkan services provided comprehensive and accurate coverage regarding U.S. and Defeat-ISIS Coalition operations. VOA's coverage, reaching more than 4.7 million adults weekly across broadcast and digital platforms, focused on terrorist recruitment of young Muslims; actions taken by local law enforcement against ISIS fighters who returned home; and weapons from the Balkans, which had made it to the hands of ISIS fighters and terrorist attackers in Europe. VOA's Bosnian and Albanian services produced documentary series on the radicalization and militarization of traditionally secular Muslims and measures taken by local governments to fight violent extremism.

RFE/RL's Balkan Service is an inclusive source of news in a region where media freedom remains elusive and many outlets reflect ethnic divisions. The Service has broad impact and regularly sparks debate and analysis in the region.

- A February 2016 interview conducted by RFE/RL's Balkan Service with Columbia University researcher David Phillips, on the number of foreign terrorist fighters recruited from Kosovo to fight in Syria and Iraq, initiated a public debate among security advisors to Kosovo's Parliament and the Interior Ministry on whether the country was investing sufficient efforts to counter violent extremism.
- The Balkan Service aired a special television report on the falling numbers of foreign terrorist fighters traveling to Syria and Iraq from Bosnia and Herzegovina and Kosovo, offering analysis. The special edition was broadcast in the aftermath of the December Berlin attack.

AFRICA

Hausa: VOA's Hausa Service continued to provide comprehensive, multimedia coverage of Boko Haram's terrorist activities in Northern Nigeria and the Lake Chad Basin through its daily news programming, interactive call-in shows, audio streaming, and website postings.

- In 2016, VOA Hausa expanded its presence on the ground by opening reporting centers in Abuja, Nigeria and Niamey, Niger. Contributors operated out of the new reporting centers and provided comprehensive multimedia coverage of Boko Haram's activities.
- The service placed particular emphasis on two of its platforms to dissuade youths from being recruited by terrorists: *Yau Da Gobe* (*Today and Tomorrow*) and the digital stream *Dandalin VOA*, which engage youths on social media and draw an average of 1.12 million visits per week.

Somali Service: In 2016, VOA's Somali Service regularly interviewed Somali government officials, Islamic scholars, and independent experts for perspective and context on terrorist threats. VOA Somali also leveraged its connection to Somali diaspora communities in the United States to highlight dangers of radicalization and terrorist recruitment.

- VOA Somali produced a televised town hall meeting connecting Somalis in Minneapolis and Mogadishu. This interactive event gave the Somali diaspora in Minneapolis-St. Paul the rare opportunity to speak directly with Somali President Hassan Sheikh Mohamud. Somali youth community leaders in both cities queried the president about terrorism, unemployment, and education. The program aired on Somali National Television and streamed live on both the VOA Somali web site and social media platforms.
- The Somali Service also covered the election campaign of Ilhan Omar, the first Somali-American legislator in the United States. The 34-year-old Ilhan grew up in a refugee camp in Kenya before moving to the United States with her family. She won a seat in the Minnesota House of Representatives as a Democratic candidate.
- In August, VOA interviewed two former Somali intelligence officials who had called for a review of strategy and security policy against al-Shabaab following three terrorist attacks. They emphasized the need for Somalia to build its security network starting at the district level, and connecting security agents with police, investigating agencies, community police forces, and local governments.
- In July, the service carried a speech by Somali President Hassan Sheikh Mohamud, where he called on al-Shabaab to end what he called its "suicidal mission," and to stop its brutal attacks. In the speech marking Somalia's 56th anniversary of independence, the president urged the terrorist group to consider the lives they disrupt.

French to Africa: VOA's French-to-Africa Service broadcast to Muslims throughout Francophone Africa on shortwave, medium wave, and, increasingly, on FM radio through dozens of affiliates across the region. It also broadcast via its own 24/7 FM transmitters in nine major cities: Abidjan, Bamako, Bangui, Dakar, Goma, Lubumbashi, Ndjamena, Niamey, and Ouagadougou.

VOA provided extensive coverage of the Mali peace process and of reconciliation efforts in the Central African Republic. VOA also provided reports about terrorist attacks in Burkina Faso, Cameroon, Cote d'Ivoire, Mali, and Nigeria, as well as in Europe and the United States. In 2016, VOA continued to broadcast to the region in French, Bambara (widely spoken in Mali and neighboring countries), and in Sango (spoken in Central African Republic and parts of neighboring countries). The service also reached Muslims through its weekly program, *Dialogue*

des Religions, which offered discussions with religious scholars on a variety of topics, including Islam's relations with other religions.

Swahili Service: VOA's Swahili Service broadcast to large Muslim populations in Tanzania and Kenya, and to smaller Muslim communities in Burundi, the Democratic Republic of the Congo (DRC), and Uganda. The service also enhanced its efforts to reach Muslim communities on the East African coastline, where cities like Mombasa experienced terrorist attacks. In 2016, the VOA Swahili reporting center in Mombasa became operational, producing radio and television programming on a range of topics, including the security situation, the impact of security threats on tourism, and Kenyan government efforts to increase security and revive the tourism industry, traditionally one of the country's most important economic sectors. In Burundi, the DRC, and Uganda, the Swahili Service produced and aired a number of programs on youth and joblessness.

The VOA News Center. Throughout 2016, VOA News provided comprehensive, round-the-clock coverage of U.S. and international efforts to counter violent extremism. Coverage included VOA reporting across Asia, Europe, the Middle East, and the United States. Reports on violent extremism and related issues accounted for more VOA stories than any other topic. Major coverage included the war against ISIS in Syria and Iraq; the fight against ISIS and the Taliban in Afghanistan and Pakistan; terrorist attacks in Asia, Europe, and the United States; the drivers of violent extremism; and efforts by various countries – in the public and private sectors – to counter violent extremism. Other topics included U.S. counterterrorism strategy and the political impact of terrorist threats in Asia, Europe, and elsewhere.

The VOA News Center posted web reports on various aspects of these issues every week. In addition to ISIS, VOA News also focused on al-Shabaab, Boko Haram, and other terrorist groups. The VOA News website highlighted content from the VOA South and Central Asia Division's Extremism Watch Desk.

Iraq. VOA News Correspondent Sharon Behn was stationed in Erbil, Iraq for several months in 2016. She regularly traveled with Kurdish Peshmerga forces to the front lines of the fight against ISIS and to Baghdad to report on the Iraqi government's ability to sustain the war. VOA Cairo Correspondent Heather Murdock later returned to Erbil, where she stayed for the remainder of the year, reporting from the front lines in the battle for Mosul and interviewing Iraqis who had been liberated from ISIS.

Syria. For much of 2016, reporter Jamie Dettmer was based in Turkey, near the Syrian border, where he interviewed politicians, diplomats, and rebel leaders for stories examining the complex interplay of rebel and pro-government factions, and their political supporters in Russia, Turkey, and the United States. Reporter Dorian Jones, based in Istanbul, filed stories throughout the year on Ankara's role in the war and its impact on Turkish politics.

Washington, DC. VOA National Security Correspondent Jeff Seldin drew on his sources in the U.S. intelligence community to assess the relative strength of various forces in the fight against violent extremists, the outcome of major encounters, strategies for countering violent extremism, the political support for various factions, and related developments. His reporting addressed not

only the fighting in Iraq and Syria, but also efforts against violent extremism in South Asia and Africa as well as terrorist activities in Western countries.

Afghanistan and Pakistan. Islamabad-based reporters Ayesha Tanzeem and Ayaz Gul closely followed efforts in Afghanistan against the Taliban and growing ISIS influence. They also covered terrorist attacks in Pakistan.

Nigeria and Cameroon. Reporters Chika Oduah in Abuja, Chris Stein in Lagos, and Moki Edwin Kindzeka in Yaounde, extensively covered Nigeria's struggle against Boko Haram. Despite considerable personal risk, Stein and Oduah traveled to northern Nigeria to interview citizens whose lives had been disrupted. Similarly, Kindzeka reported from the Nigerian border.

Somalia. Correspondent Jill Craig in Nairobi reported on efforts by the Federal Government of Somalia in Mogadishu to establish order and counter al-Shabaab attacks. She and reporter Mohammed Yusuf regularly interviewed Somalis in Kenyan refugee camps and covered Nairobi's efforts to prevent the radicalization of Muslims in Kenya.

Europe. VOA's London Correspondent Luis Ramirez and Paris-based reporter Lisa Bryant provided extensive coverage of the terrorist attacks in Brussels, Nice, and Paris, including reporting on the sources of radicalization in Belgium and France. Ramirez and other VOA reporters also traveled across Greece and the Balkans to interview refugees and migrants, who were mostly fleeing from the wars in Afghanistan, Iraq, and Syria.

VISAS FOR PARTICIPANTS IN UNITED STATES PROGRAMS

The U.S. Department of State's Bureau of Consular Affairs' current visa policies and procedures have two fundamental missions: protecting national security by helping secure U.S. borders against actual or potential threats, while at the same time facilitating legitimate travel and international exchange. Focusing on these two fundamental missions ensures timely adjudications of visa applications for individuals to participate in exchange visitor programs while at the same time protecting our nation's borders.

It is the Bureau of Consular Affairs' policy to facilitate and make a priority visa interviews for all student and exchange visitors for them to arrive in the United States by their program start dates, provided they qualify under the law for the visa. During the interview process, all applicants are screened through a robust, interagency vetting system drawing on both biographic and biometric data elements. This policy is in place at every embassy and consulate worldwide where nonimmigrant visas are processed.

In countries with significant visa interview wait times due to high demand, this policy may reduce wait times for students and exchange visitors from weeks to days. Applications may require additional administrative processing after the interview. Because of this, program sponsors and applicants should coordinate to initiate visa applications well in advance of their planned travel. Applicants should be advised to obtain passports immediately and visit travel.state.gov for instructions on applying for U.S. visas.

BASIC EDUCATION IN MUSLIM COUNTRIES

Whether they attend school or not, some 250 million children in Muslim majority countries do not learn the basic skills required to be competitive economic actors in a globalized world. Drop-out rates remain high and too few students, particularly adolescent girls, continue studies beyond the primary level. While important gains in primary school enrollment have been achieved across the developing world, and the gender gap in access to primary education has been narrowed or closed in many countries, access to education remains inequitable, and the quality of education remains poor. More children have a better chance of attending school than ever before, but they do not necessarily have a better chance of learning anything while there. As they grow up, an increasing number of young people in developing countries find themselves without relevant knowledge and skills and are unable to fully participate in and contribute to economic development, promote security and stability, and effectively and peacefully engage in civic and political matters.

The U.S. Agency for International Development (USAID) Education Strategy guides and focuses education programs to support countries' achievement of specific, measurable results: children are reading; children and youth are accessing safe, quality education in conflict and crisis; young people are learning the skills they need to gain employment and contribute to society; and higher education institutions are supporting development progress across sectors. Under this strategy, USAID determines the best approach to education programming in a given country (including countries with predominantly Muslim populations) based on U.S. development policy priorities, overarching foreign policy and national security considerations, individual country and/or regional priorities, and USAID's comparative advantage and available foreign assistance resources, among other factors. Individual country strategies are grounded in data, evidence, and analysis, including country-wide, education sector, and demographic analyses. This informs USAID interventions and approaches taken to implement and achieve the goals of the country strategy.

In Fiscal Year (FY) 2016, USAID allocated US $384.7 million to basic education to countries with large Muslim populations. Approximate amounts for each region were:

- **Asia:** US $30.6 million was allocated to Bangladesh, the Kyrgyz Republic, Philippines (Mindanao), and Tajikistan. USAID has ongoing basic education activities in Indonesia, although there was no allocation of FY 2016 funds there. Basic education activities in countries such as these can help improve economic opportunities which could lead to economic growth and help reduce some of the pressures that could otherwise lead to radicalization.
- **Europe and Eurasia:** USAID has ongoing basic education activities in Kosovo, although there was no allocation of FY 2016 funds there.
- **Middle East:** US $145.5 million was allocated to Egypt, Jordan, Lebanon, Morocco, the West Bank and Gaza, and Yemen.
- **Afghanistan and Pakistan:** US $95.1 million was allocated to Afghanistan and Pakistan.
- **Sub-Saharan Africa:** US $113.5 million was allocated to Djibouti, Ethiopia, Kenya, Mali, Nigeria, Senegal, Somalia, and Tanzania, and on regional programs.

ASIA

Bangladesh: USAID/Bangladesh's education activities improve the reading skills of children in the first three years of primary school, and focused on the geographic areas with the poorest educational outcomes. These activities improve the quality of reading instruction and teachers' ability to assess student reading performance, as well as providing supplemental reading materials. In 2016, USAID reading activities reached nearly 400,000 primary school students, trained more than 4,000 teachers, and procured and distributed 347,101 books to provide access to supplementary reading materials. USAID continued support to 164 community reading camps located in 80 school catchment areas throughout the country. USAID recruited more than 300 community volunteers to conduct reading sessions through this network of reading camps. Additionally, USAID assisted in setting up child-friendly reading corners at 20 public and community libraries to promote a culture of reading. USAID provided age-appropriate books, leveraged procurement of tablets from a non-profit organization, and installed various reading apps on those tablets. These child-friendly reading corners are seeing increasing use, with more than 8,000 children visiting to read books and play with reading games installed on the tablets. USAID also trained more than 20 librarians to promote reading among children.

Indonesia: The Prioritizing Reform, Innovation, and Opportunities for Reaching Indonesia's Teachers, Administrators, and Students (PRIORITAS) initiative works directly with the Ministry of Religious Affairs to strengthen district and local training for improved governance and management of financial and human resources, and operates across 50 districts in up to 10 targeted provinces. In 2016, PRIORTAS supported activities to improve reading in more than 1000 primary schools. The USAID program worked with local government and school leaders to establish reading corners in schools, include more instructional time for reading, and develop training modules to improve how teachers teach reading. USAID worked with a local organization, Yayasan Literasi Anak Indonesia (YLAI), to revise, improve, and align textbooks with the national curriculum. PRIORITAS also helped develop a training module on how to train teachers to use the books and supported printing them. These books were delivered to more than 1,400 PRIORITAS partner schools which will benefit more than four million students.

Kyrgyz Republic: The USAID Quality Reading Project continued to improve early grade reading by establishing reading curriculum standards, strengthening teachers' reading instructional practices, providing reading materials, incorporating community activities to enhance the culture of reading, equipping government leaders' and structures' capacity to establish reading curriculum standards, and strengthening teachers' reading instructional practices around primary grade reading education, as well as improving access to higher education through corruption-free admission tests. The Quality Reading Project reaches more than 150,000 students and the USAID interventions have improved reading skills. USAID has achieved significant results with 12,140 educators trained, which comprise about 80 percent of all grade 1-4 primary school teachers, representing 65 percent of the schools nationwide. Programming for youth in workforce development continues to better prepare young adults for available careers to remain in the Kyrgyz Republic and avoid the dangers and uncertainty of migratory employment, including the risks of radicalization.

Philippines: U.S. education assistance focused on vulnerable out-of-school youth. In 2016, 6,707 youth received life-skills training before going back to school or entering the workforce. Through the community-based Out-of-School Youth Development Alliance, youth graduates were linked to the private sector to help gain employment post-training. This linkage was especially successful in 2016. A fish-packing plant formalized an arrangement to offer on-the- job training and employment to youth graduates. A chain of hardware stores has almost exclusively hired youth trained through U.S. assistance programs. Among youth graduates that enrolled in the government's alternative learning system, 613 took the accreditation and equivalency test, with 87 passing and 41 already pursuing college degrees. USAID education program assistance in Mindanao is training teachers; providing computers, textbooks, and other materials to schools; and building the capacity of Parent-Teacher Associations. By improving the instruction in Mindanao's public schools, programs are increasing access to quality education and skills in areas most affected by conflict and poverty.

Tajikistan: USAID's Quality Reading Project aims to improve reading performance of 65 percent of all primary school (grades 1-4) students and 85 percent of targeted primary teachers in Tajikistan. QRP works in close collaboration with the Ministry of Education to improve reading instruction in primary school by increasing the availability of reading materials, especially age-appropriate Tajik language books. To build a "reading culture" in Tajikistan, USAID has worked diligently to increase the number of age-appropriate reading materials available to primary students through libraries in classrooms, schools, and communities. USAID addressed the critical shortage of Tajik language, age-relevant children's books by bringing local authors and illustrators together to create original, high quality books. In 2016, a total of 212,000 books were produced and disseminated. In addition, USAID has worked with other donors and the private sector to create public service advocacy videos on the importance of reading and an animated, subtitled children's television series aired at no cost on a national network to increase attention in the area of reading.

EUROPE AND EURASIA

Kosovo: The Basic Education Program works with schools and communities to develop 21st century skills for children in primary school grades 1-9. USAID also assists Kosovo education institutions in undertaking reforms such as: decentralizing the Municipal Education Directorates, improving the quality of teaching and learning outcomes of primary school students, and improving teacher professional development through school-based training. The program enables Kosovo's primary schools to attain a high level of educational excellence, preparing youth with the necessary skills to succeed in a global economy.

MIDDLE EAST

Egypt: To help Egypt cope with poor instruction quality and to develop critical thinking and practical skills in the largest school system in the Middle East (more than 18 million students), USAID works with the Ministry of Education (MoE) to align its education system more closely with the needs of a modern economy. This includes improving the quality of teachers at the primary level through mandatory practical training for all new teachers so they have guided experience in the classroom prior to full-time instruction. USAID also supports

Egyptian government efforts to implement education programs that develop critical thinking and practical skills of primary and secondary school students. To support previous investments in early grade reading and math nationwide, USAID is continuing technical assistance to the MoE to build integral and sustainable early grade reading and math systems – with a focus on improving curriculum and materials, strengthening teacher professional development, and including early grade learning instruction in university faculties of education. USAID is also enhancing Egypt's talent pool and competitiveness by piloting and expanding science, technology, engineering, and math (STEM) education in secondary schools. Two pilot STEM high schools that USAID helped establish in Cairo have been so successful that the government is scaling up this program nationwide and establishing STEM schools in all 27 governorates.

Jordan: Despite many achievements, the Government of Jordan recognizes that the quality of education remains uneven and not competitive by international standards, particularly in poorer urban and rural areas. USAID aims to strengthen the public education system by building Ministry of Education capacity to implement reforms that improve learning environments and outcomes, using quality assurance standards and making better use of information and data-driven decision making; establish monitoring and evaluations systems; develop enduring public-private partnerships; and promote professionalism and recognize excellence among teachers and other educators. USAID also supports improving the quality of education and learning outcomes through programs that establish a comprehensive professional teacher/administrator development system and policy framework; strengthen primary students' reading and math skills in grades K-3; improve counseling and developing the skills of secondary school students to prepare them for higher education and future careers; promote parent and community involvement; and create positive opportunities for at-risk youth, such as non-formal education. A large portion of basic education funding goes toward improving access to education and learning environments. USAID is building, expanding, and renovating schools in underserved areas to alleviate overcrowding, ease the impact of the refugee influx, and improve the learning environment; addressing psycho-social aspects of the learning environment to make schools more engaging, healthy, and safe; and involving parents and community members in schools to create a sense of ownership and responsibility among stakeholders within the public school system.

Lebanon: USAID programming supports the Lebanese Ministry of Education and Higher Education (MEHE) in providing quality public basic education to its citizens. In a country as diverse as Lebanon, public education is a key foundation to political and social stability. USAID works to improve the learning environment and opportunities in public schools nationwide through equipment provision and in-service teacher training, including on the topic of psychosocial support and leadership training for principals. USAID is also working to improve reading outcomes for primary level public school students in grades 1-4. An Early Warning System for struggling readers is being established and piloted. In addition, USAID supports the MEHE's Reaching All Children with Education strategy, which addresses the significant burden placed on the public education system by the influx of more than one million Syrian refugees into Lebanon. USAID covered school fees of 78,467 girls and boys to access the formal education system in public schools nationwide; 28,000 of these students were vulnerable non-Lebanese. USAID is also expanding access to education for 10,000 vulnerable Lebanese and Syrian refugee students through transportation solutions, provision of technology equipment,

and capacity-building of school staff. Also, USAID works to strengthen the government's management and monitoring systems with the objective of institutionalizing reforms. Finally, school-based and community support to Lebanese and non-Lebanese students at risk of dropping out is provided, and research into the impact of the Syrian conflict on the education sector is supported.

Morocco: The bulk of USAID basic education assistance in Morocco is focused on testing reading interventions and strengthening stakeholder engagement to improve reading skills in grades 1 and 2 in select schools across eight provinces in four regions. Activities such as developing and piloting grade 1 reading materials; evaluating and revising grade 1 materials based on feedback; developing grade 2 materials; and crafting texts and stories were introduced in the 2015-2016 school year and will be used as the foundation for a national program that will be implemented the following year. Additionally, Morocco supports an activity designed to benefit children in grades 1-3 in schools for the deaf to improve their reading competencies in Arabic. To achieve this goal, the project has developed a fully-functional Modern Sign Language (MSL) to Modern Standards Arabic (MSA) dictionary software; held its first training for teachers from 10 different schools on educational strategies for deaf or hard of hearing students; and disseminated needs assessment to teachers and administrators. USAID is working with the Ministry of National Education and Vocational Training and local associations for the deaf to develop software for reading instruction that incorporates MSL and MSA; train teachers, parents, and other stakeholders in using the software and appropriate techniques for teaching reading to children that are deaf or hard of hearing; and develop a sign language-friendly early grade reading assessment.

West Bank and Gaza: USAID works closely with the Ministry of Education and Higher Education of the Palestinian Authority to build leadership and teacher development, particularly in hard-to-reach areas in the West Bank, including rural and isolated areas. One program emphasizes critical thinking, research, and other life skills by upgrading the qualifications of in-service teachers and administrators via a modern teacher training program. The program specifically provides in-service training to teachers of grades 5-10, as well as to principals and district supervisors, to upgrade their qualifications and competencies. USAID also works to improve the school environment for higher quality learning in schools for marginalized populations. Students receive counseling and participate in community building activities that include parents and after school programs. Finally, through a local construction program, USAID support the rehabilitation of schools in underserved areas of the West Bank.

Yemen: Yemen's education challenges include low enrollment, especially for girls; poor academic achievement; problems of school security; dilapidated infrastructure, in particular with water and sanitation facilities; poor teacher skills; and inadequate teaching and learning materials. Prior to the ongoing conflict, USAID developed – in partnership with the Ministry of Education – an early grade reading program that was rolled out in roughly 80 percent of schools, and enjoyed strong buy in at the local and national level. The conflict negatively impacted the progress of this initiative and the project remained on full suspension along with most development projects, at year's end. Nonetheless, local staff reported that teachers are committed to using the new reading curriculum and sought to continue to train new teachers on the methodology. Challenges have been exacerbated by the conflict. There has been severe

damage to physical infrastructure, mass displacement (approximately 2.2 million were internally displaced as of November 2016), growing regional and sectarian tensions, and psychosocial trauma among students and school staff. USAID continued to coordinate with other donors engaged in education in Yemen to prepare for when the environment will allow for activities to build on the previous successes of USAID's education programming.

AFGHANISTAN AND PAKISTAN

Afghanistan: USAID's basic education program, working in close partnership and cooperation with the Ministry of Education (MoE) and other international donors continued to extend access to quality education to all Afghans by improving the government's service provision capacity, targeting educational access for girls, training teachers, supporting community-based education schools, and helping to establish vocational education opportunities for marginalized youth. USAID programs helped train 154,000 MoE teachers, including more than 54,000 female teachers. The availability of trained female teachers is essential to improve the enrollment rate for female students as cultural norms in Afghanistan sharply limit the degree to which male teachers can teach female students. USAID programs also contributed to the procurement and distribution of 130 million textbooks. In addition, USAID's support to Community-based Education has enabled more than 84,000 Afghan girls to attend school in rural and insecure areas where official MoE schools do not exist. Additional programs focus on improving transparency within the MoE, and improving the capacity of community and civil society organizations to provide oversight, thus mitigating corruption risks.

Pakistan: Pakistan's ability to educate its youth is critical to its economic growth and development and future stability. U.S. education programs focused on increasing the number of students who enroll in and complete courses in primary and tertiary educational institutions; and improving the quality of that education – with a specific focus on early grade reading – to prepare Pakistani students for the workforce and providing high quality tertiary education that is responsive to market demands. Under the U.S.-Pakistan Basic Education program, the United States supported Pakistan-led efforts to introduce and institutionalize improvements in reading instruction and assessment in grades one and two across Pakistan with a goal of improving the reading skills of 1.9 million primary grade students. Reading programs have reached a total of more than 661,000 grade one and two students to date. The United States has also funded the rebuilding or renovation of more than 1,000 schools, helped upgrade 16 faculties of education, and provided English language training to 9,400 underprivileged Pakistani teenagers countrywide. To improve girls' education, Let Girls Learn was launched in October 2015, and since then the United States has worked with communities in Khyber Pakhtunkhwa (KP) and the Federally Administered Tribal Areas (FATA) to address community-specific barriers to education for adolescent girls; reaching more than 265,000 girls with reading programs; and assisting more than 38,000 girls to enroll or reenroll in school in FATA, KP, and Sindh.

SUB-SAHARAN AFRICA

Djibouti: To promote the education of girls in primary and middle schools, USAID partners have revised textbooks for gender neutrality, and developed a mentoring program for girls. USAID has also supported Parent Teacher Associations, given small grants to establish a dozen

school libraries, strengthened governance in more than 100 school management committees, helped produce the Ministry of Education's Annual Statistics Manual with improved data and graphics, and provided job training to 120 out-of-school youth (half of whom are women). Current programming is being scaled back to focus on early-grade reading skills, in alignment with USAID's new Education Strategy.

Ethiopia: A study conducted in 2010 was the largest Early Grade Reading Assessment (EGRA) in Africa. Results of the assessment showed that the majority of students in Ethiopia are not reading at the appropriate levels of comprehension by the end of the third grade. While access to education and equity issues improved enormously at the primary level, quality education in primary schools remained a challenge. USAID-funded studies show that children in the first primary cycle do not develop the basic skills necessary to learn effectively in later years. USAID programs in Ethiopia reflect the agency's commitment to ameliorating the quality of education by increasing reading and writing competency among primary schoolchildren and youth and providing opportunities for teacher training. Literacy is imperative to sustainable development and contributes to a vibrant and participatory civil society.

USAID seeks to improve literacy through community and youth engagement and interaction, and through the provision of quality education materials that encourage reading fluency and comprehension in English and the seven nationally-recognized mother tongues.

Kenya: The Government of Kenya first introduced free universal primary education in 2003, leading to an increase in total public and private primary student enrollment from 5.9 million in 2002 to 10 million in 2014. This increase has had a significant impact on Kenya's Net Enrollment Rate (NER), which now stands at 88.2 percent. Drastic growth in primary enrollment has negatively affected both the service delivery and instructional quality within Kenyan primary schools. Kenya's reading proficiency dropped from second to fifth of the 15 African countries participating in the Standard 6 examination administered by the Southern African Consortium for Monitoring Educational Quality between the years 2000 and 2007. A more recent assessment found that only 30 percent of Standard 3 children could read a Standard 2 level story in English or Kiswahili. In addition to the lack in reading proficiency, a high student to teacher ratio, gender inequality, and low student retention and transition rates have also proven problematic for the Kenyan education system. USAID/Kenya education activities are partnering directly with the Ministry of Education, Science, and Technology to take evidence-based programming to scale. *Tusome*, "let's read" in Kiswahili, will improve early grade reading skills for more than 5.4 million children in 26,200 primary schools via scalable and sustainable programming that underscores host country leadership of the development agenda and provides a 1:1 textbook ratio.

Mali: USAID works with Mali's Ministry of Education along with a range of local and international partners to expand access to quality basic education. Current programs focus on improving the quality of early grade reading instruction in primary schools, expanding the national curriculum with an emphasis on mother-tongue instruction reinforcing education system decentralization, providing academic, vocational, and civic education to out-of-school children and youth, and supporting Mali's Global Partnership for Education. Special emphasis is placed on post-conflict programming aimed at reopening schools, targeting marginalized groups

including girls and young women, and increasing inclusive access to students with disabilities. USAID/Mali has current and projected education activities spanning the eight regions of Mali: Gao, Kayes, Kidal, Koulikoro, Mopti, Segou, Sikasso, and Timbuktu.

Nigeria: Nigeria's basic education system is fragile and poorly managed by the government. As a result, the public has very low expectations of what the government can provide and historically has demanded very little accountability or transparency. About 20 million children are enrolled in primary school, leaving about 10 million still out of school. The weakest education-related indicators are found in the two northern-most geopolitical regions in Nigeria, where primary school attendance and academic achievement remain far below national averages. Net attendance in the Southwest region is 79 percent, while in the Northwest it is 41 percent. Additionally, the Southwest has a literacy rate of 79 percent, while the Northwest literacy rate is at 28 percent. The lack of equity in access is evidenced by the fact that 68 percent of household members in the Northwest are more likely to have no education compared to 15 percent in the Southwest. USAID will partner with Nigeria's Ministry of Education to improve the reading skills of students and the ability of teachers to teach reading effectively. Furthermore, USAID programs will work to increase access to quality basic education by strengthening Nigeria's governance structures to better provide for the education sector. Projects will also focus on developing accelerated learning programs for students attending Islamiyya-integrated schools − which teach both Western and Islamic curricula – with the goal of transitioning them into the formal school system or vocational programs.

Senegal: Education accounts for 40 percent of Senegal's operating budget, which has led to significant increases in primary school enrollment over the last 10 years. Despite such improvement in primary school enrollment, illiteracy remains high and a low percentage of children complete basic education. USAID's commitment to improving learning outcomes in Senegal is reflected in its years of assistance, which has helped Senegal achieve vast gains in basic education and literacy. The Partnership to Improve Elementary Reading and Math (PALME) works directly with Senegal's Ministry of Education, as well as other partners, to improve reading and math classroom instruction, strengthen school monitoring and student learning assessments at the local and national levels, and increase research and evaluation capacity within the Ministry. In addition to the PALME project, USAID is also implementing other education-related programs that work to improve local capacity through the strengthening of community legitimacy. Education, Priorité, Qualité focuses on ameliorating the quality of education through support to regional teacher training centers and community-based service projects. USAID is also working to make education more accessible to youth living in the conflict-affected areas of the Casamance region in the southeastern part of the country.

Somalia: Because 70 percent of Somalia's population is under 30 years old, education and employment opportunities for youth are critical to securing future stability and development in the country. USAID works to provide fair and equal access to secondary education for girls and boys by building and rehabilitating classrooms, training teachers and school administrators, supporting curriculum development, providing learning materials and technical assistance to local authorities at the regional and district levels, and involving communities in management of education. To help build a generation of active citizens and leaders, USAID is creating opportunities in education, economic growth, and civic participation for youth. Youth trained in

advocacy and leadership have organized community service activities including tree planting, donations to a mental health hospital, school cleanup campaigns, and girls' education awareness. Programs also include non-formal education for out-of-school youth, vocational education and training, financial literacy and entrepreneurial skills training, and provision of funding for selected start-ups run by youth.

Tanzania: Although access to education has increased significantly in Tanzania, many students are still not mastering rudimentary reading skills. An early grade reading and math assessment conducted in 2013 found that grade 2 students are reading Kiswahili on average better than their counterparts in other Kiswahili-speaking African countries. However, nearly 40 percent of students could not read a single word, and those that can read with some accuracy still lack fluency. This highlights a key challenge in Tanzania's education sector, indicating that students are transitioning through primary school without achieving basic reading and literacy skills. Low reading skills among Tanzanian children can be attributed in part to a lack of both appropriate reading material and high-quality instruction. Reading curricula in Tanzania is not standards-based, and neither teacher preparation nor professional development programs instruct teachers on how to effectively teach children how to read. Tanzania's institutional capacity to resolve this problem is poor, and low reading skills depress the overall quality of Tanzanian education as well as national development in all sectors of the country. Therefore, USAID activities in Tanzania aim to improve the reading capabilities and literacy rate of primary level students. In addition to improving reading skills, USAID seeks to ameliorate the quality of education accessible to young students through teacher training and professional development initiatives, and the provision of quality instructional materials.

ECONOMIC REFORM IN MUSLIM MAJORITY COUNTRIES

In countries with predominantly Muslim populations, the pursuit of economic growth is one way of achieving sustainable social benefits that can reduce some of the pressures that may lead some to turn to violent extremism. In 2016, the United States Agency for International Development (USAID), in cooperation with other U.S. government agencies, undertook programs that promoted reforms to enable developing and transitional countries to more effectively and transparently allocate resources toward activities to accelerate economic growth. USAID activities often focused on improving the regulatory or business-enabling environment so that small and medium businesses can flourish and contribute to increased economic activity and trade. Program interventions have been designed to pursue measurable results in the commercial, legal, and regulatory framework that would increase transparency and accountability while lowering the costs, obstacles, and time required for doing business. These programs have not been designed to measure impact against violent extremism.

AFRICA

Through the West Africa Trade and Investment Hub, USAID supports integration of the region and with the rest of the world. Often in partnership with the Economic Community of West African States (ECOWAS), USAID helps to improve customs regulation and policy reform to encourage internal and external trade, encourages the use of U.S. African Growth and

Opportunity Act (AGOA) incentives for trade with the United States, and develops private sector capacity to meet international trade and export standards. Examples include support to Burkina Faso to streamline cargo transport; to Mali and Burkina Faso to formalize livestock trade practices and add value through cattle-fattening; to Nigeria to promote access to trade finance; and to ECOWAS to develop a regional strategy and a 10-year implementation plan for corridor management and development to improve efficiency of transport corridors. USAID also supports AGOA Trade Resource Centers in Burkina Faso, Nigeria, and Senegal, and the Trade Hub has a satellite office in Senegal.

Burkina Faso: USAID is working to transform agricultural production to both strengthen the food supply and increase incomes from agricultural activity. Efforts focus on expanding subsistence farming into larger and more profitable enterprises, improving livestock and poultry production, ensuring appropriate natural resource management, helping producers market their products, expand access to credit, and increasing the number of women involved in growing and selling produce.

In addition to the resilience instruments managed by the Sahel Regional Office, Food for Peace supports two development food assistance programs that also target the most vulnerable through agricultural development/food security programming coupled with improved nutritional and water, sanitation, and hygiene practices.

Mali: As part of Feed the Future, USAID supports the efforts of the Government of Mali to refine and implement a country-led comprehensive food security strategy to reduce hunger and increase economic growth through market-led agricultural development. These strategies aim to reduce hunger, improve nutrition, and promote broad based economic growth through agricultural development. Efforts support farmers in improving the production, processing, and marketing of goods related to rice, millet, sorghum, and livestock. Activities promote small private enterprise development and employment generation by increasing access to credit to purchase agricultural inputs and processing equipment, facilitating contracts between producers and processors of agricultural commodities, and improving market information systems.

Nigeria: USAID supports Nigeria to improve agricultural productivity and expand jobs in rural areas in an effort to reduce poverty. It also works to improve market access, increase the country's energy supply, reduce obstacles to trade, and expand access to clean water. It helps develop a policy environment for small businesses and expand access to market-driven vocational and technical training linked with private sector employment opportunities. Support also includes improving access to financial services.

Senegal: USAID, through its inclusive economic growth program, supports Senegal in the areas of agriculture and nutrition especially for women and children, water and sanitation, and energy. USAID, through the Feed the Future Initiative, supports four value chains (rice, maize, fisheries, and dry cereals, such as millet). It helps tackle poverty and malnutrition by supporting activities that address agricultural policy issues and promote access to financing and markets. It also assists smallholder farmers to diversify and increase their agricultural production by disseminating technologies such as high-yielding varieties of agricultural products and associated climate-smart best practices.

Somalia: USAID, through its Growth, Enterprise, Employment, and Livelihoods program promotes inclusive economic growth throughout Somalia, Somaliland, and Puntland. The activities under the program address challenges and opportunities that are common among multiple sectors and initiatives that affect key industries, particularly agriculture, fisheries, and renewable energy. The program builds the capacity of internal investors as well as the Somali diaspora eager to invest in business opportunities, and prioritizes opportunities in industries likely to attract women and youth who have been marginalized from pursuing economic opportunities.

ASIA

Bangladesh: USAID provided technical assistance through the Bangladesh Trade Facilitation Activity (BTFA). Under the BTFA, USAID is assisting the Bangladesh National Board of Revenue/Customs to reduce the time and cost to trade, and improve the transparency of processes and availability of information. With assistance from BTFA, a variety of policy and regulatory changes are being made to support efficiency-enhancing procedural adjustments. Many of these changes are required to comply with World Trade Organization and World Customs Organization guidelines and standards such as the Secure and Facilitate Trade framework of standards.

USAID's Catalyzing Clean Energy in Bangladesh (CCEB) works with the Bangladesh Energy Regulatory Commission (BERC), Government of Bangladesh ministries and agencies, energy utilities, private sector energy end-users, and other relevant stakeholders to strengthen the energy regulatory environment, increase energy efficiency, and promote clean energy development. In 2016, CCEB developed two policy instruments 'Bangladesh Energy Regulatory Commission (BERC) Electricity Consumer Complaint Handling Procedure Regulations' and the "BERC Regulatory Energy Audit of Generation Facilities Regulations."

Indonesia: USAID/Indonesia partners with the private sector and the Government of Indonesia on activities for economic growth, which contribute to a stable society and resilience to radicalization. These activities include building research and development capacity to boost innovation; enhancing resilience and adaptation of marine ecosystems (fisheries); supporting the development of renewable energy resources; and strengthening the conservation of Indonesia's carbon-rich tropical forests and peatlands. USAID/Indonesia has also partnered with universities and the private sector to strengthen the role of science, technology, and innovation in Indonesian development and policy-making by targeting three key areas: the supply of high-quality research; the application of scientific evidence to policy making; and the use of innovative approaches to addressing development challenges.

Indonesia is the second largest fish producer in the world. Its waters are overfished and many are in decline. Further, water management issues are challenged by illegal, unregulated, and unreported fishing activities and the adverse impact of a changing climate. USAID biodiversity funding supports marine sector activities that promote sustainable fisheries management and marine conservation in biologically significant marine ecosystems.

USAID/Indonesia's investments in clean energy and climate security initiatives strengthen the foundation for low-carbon energy systems in Indonesia. This directly contributes to the Government of Indonesia's targets in increasing access to energy, while concurrently supporting national efforts to curb greenhouse gas emissions.

In addition to focusing on the improved policies, USAID/Indonesia has integrated direct engagement with the private sector across its development portfolio. These relationships have stimulated significant direct private sector investments. During FY 2016, there were 11 ongoing public private partnerships with U.S. and Indonesian businesses, of which 10 were Global Development Alliances. The Mission leveraged a total of more than US $284 million in private sector resources (of which nearly US $277 million was for clean energy).

Kyrgyz Republic: USAID works with the Kyrgyz Republic, the only freely elected democracy in post-Soviet Central Asia, to build on progress in democratic governance by partnering with institutions, promoting civic engagement, strengthening judicial independence and effectiveness, improving delivery of public services, increasing the capacity of an independent media, and expanding economic opportunity through programming such as small business opportunities to help deter migratory work or reintegrate returning workers. USAID in the Kyrgyz Republic also works with the regional USAID Mission to Central Asia to advance the U.S. government's New Silk Road initiative, which increases connections between Central and South Asia – including Afghanistan – and the C5+1 ministerial platform to foster greater stability and prosperity across the region. USAID's Business Growth Initiative (BGI) expands upon the business enabling environment reforms initiated by USAID's REFORMA Project in tax administration, business licensing and inspections, trade agreements, civil aviation safety, and mining. It also seeks to improve access to working capital and equipment finance for value chain firms. BGI worked with individual firms and stakeholders in the apparel, tourism, and construction materials sector to improve access to markets and increase sales; and to expand product offerings, improve productivity, quality controls, and financial management; and other critical capacities to make them competitive in both domestic and international markets. USAID's Agro Horizon Project improves the country's foundation and systems for long-term food security and increased farmer income. USAID assistance benefited smallholder farmers and vulnerable groups in a geographic zone of influence that covers 55 percent of the country's population in four provinces (Batken, Jalalabad, Naryn, and Osh) with the highest poverty rate (49 percent versus 37 percent for the rest of the country). USAID provided technical assistance in the zone of influence to increase productivity and gross margins per hectare, expand farmers' access to financing, improve women's share of increased incomes and credit financing, and improve women's and children's nutrition.

Uzbekistan: USAID's Agricultural Value Chain activity is providing technical assistance to improve the quality and volume of agricultural production and post-harvest handling, facilitate market linkages – to transition from water-intensive cotton production to more profitable horticulture, and link educational institutions with private sector demand. Using regional trade activities as a platform, USAID helped Uzbekistan cultivate new export markets.

EUROPE AND EURASIA

Albania: USAID's Mission in Albania stimulates economic growth and employment, particularly in the agriculture, small business, tourism, and financial sectors. USAID works through local organizations to support farmers, agribusiness, and banks to increase financing to the agriculture sector and to make improvements in key crops on production, quality control, and marketing. In addition, USAID has signed a loan guarantee program with two private banks to support lending to agribusinesses. USAID also supports employment in the growing, sustainable, and vibrant agro-tourism sector by providing technical assistance to small business entrepreneurs and trainings to Albanians working in the tourism sector – particularly for youth and women – so they can gain skills and enter the workforce. For example, a Tourism Investment and Finance Fund in Albania will provide capital and technical assistance to micro, small, and medium sized businesses operating in Albania's tourism sector to promote sustainable tourism, improve the business enabling environment and workforce capacities, and spur job creation and economic growth. USAID seeks to strengthen Albania's financial sector stability and increase public confidence in the banking system to stimulate private sector growth, foreign direct investment, and job creation.

Azerbaijan: In FY 2016 USAID/Azerbaijan-funded programs promoting the development of the agricultural sector, particularly in high value agriculture, which contributed to the non-oil sector diversification of the economy. Through on-farm technical assistance, agronomists identified needs and provided a series of recommendations to maximize harvest volume and quality. An annual survey of beneficiaries indicated increased productivity, improved quality standards, and expanded sales volumes for FY 2016. In the reporting period, the beneficiary farmers and agribusinesses in the hazelnut sector increased the value of domestic sales by 76 percent and the value of exports by 37 percent. USAID/Azerbaijan also provided technical assistance to the Government of Azerbaijan to build its trade capacity and increase Azerbaijan's trade and agricultural exports. Specifically, USAID is supporting the Coordinating Council on Transit Freight to develop a transit freight business intelligence system. The project also promotes market access for Azerbaijani exports by assisting small and medium enterprises' partnership with European and Middle Eastern counterparts.

Kosovo: USAID's Mission in Kosovo managed a number of activities that stimulate economic growth and employment in 2016. USAID's Partnerships for Development supports the Government of Kosovo's leadership of economic reforms by helping improve the business enabling environment, implementing construction reforms, and enhancing macroeconomic stability and public financial management at the central and local levels of the Kosovar government. The EMPOWER Private Sector project stimulates large-scale job creation by elevating the competitiveness of Kosovo firms by helping them identify and connect to market opportunities, improve product design and quality, increase productivity, upgrade management and workforce skills, and expand access to finance, particularly for underemployed and disadvantaged populations. Through the Agricultural Growth and Rural Opportunities Program, USAID focuses on increasing agricultural productivity, marketability, and responsiveness to markets, which will enhance the sustainability and competitiveness of targeted Kosovar agribusinesses in domestic and export markets.

MIDDLE EAST

Middle East Bureau: USAID's Middle East Bureau managed a number of regional and bilateral activities that stimulated investment and increased employment in Muslim countries in 2016. First, the Middle East Bureau manages both the Tunisian American Enterprise Fund and the Egyptian American Enterprise Fund, which together invest up to US $80 million per year into small and medium-sized businesses in these two countries. Additionally, the Bureau manages a wide range of regional programs to produce more trade between the Middle East and North Africa (MENA) Region and the rest of the world, as well as promote more business-friendly legal and regulatory environments in Egypt and Tunisia. In addition to regional programs, USAID manages a variety of bilateral pilots throughout the MENA Region. For example, for Lebanon there is a pilot with Microsoft to maximize the use of an electronic platform for job matching and soft-skill development. Such activities contribute to regional understanding about economic policy reforms to improve employment generation, enterprise competitiveness, and economic opportunities for all in the MENA region.

Egypt: USAID supports Egyptian efforts to improve the trade environment, increase labor market efficiencies, reform the business policy and regulatory environment, foster innovation, and improve the services provided to Egyptian entrepreneurs and micro, small, and medium-sized enterprises. A number of new initiatives were being designed in 2016.

Iraq: USAID assisted the Ministry of Planning to develop and require all Iraqi government spending units to use standard bidding documents (SBDs) for public tenders. SBDs were finalized for 19 types of procurements, and a help desk was set up to assist other government procurement offices on how to use them. The use of SBDs is a global best practice in procurement. The Ministry of Planning now requires all government spending units to use SBDs for all public tenders. The adoption of SBDs by 30 government entities is a significant step towards transparency and predictability in their procurement system.

USAID also enabled the Kurdistan Regional Government (KRG) to introduce an electronic registration system for individuals receiving government payments. This registration system based on biometrics eventually will include all 1.4 million recipients of KRG salary or support payments. The system will prevent fraud and will detect recipients who are receiving duplicate or ineligible payments.

Jordan: USAID increased private sector competitiveness through regulatory reform, public and private sector capacity building, and workforce development programs. This assistance targeted sectors such as Information and Communication Technology and tourism, which showed the greatest potential for a broader, more sustainable effect on the economy. USAID supported Jordan’s promotional efforts in tourism to increase the country’s foreign exchange income. USAID partnered with the Jordanian government on its regulatory reform agenda to enhance the business-enabling environment, allowing for greater investment, access to finance, and private sector development. USAID worked with the Jordan Investment Commission to promote investments and improve the business enabling environment, ultimately increasing foreign and domestic investments in the trade sector.

Libya: USAID is providing Public Financial Management training for national and municipal officials.

Tunisia: USAID actively promotes increased access to finance, particularly for small and medium enterprises (SMEs), through enabling environment reforms, enterprise level work, and technical assistance to financial institutions. In partnership with public and private partners, USAID is supporting development of an international best-practice secured transactions law that will establish a framework for significantly increased use of "moveable goods" (a wide variety of personal property and assets) as collateral in Tunisia. In particular, this will benefit SMEs, as well as sectors of the population such as youth and women, who traditionally lack access to "immovable goods" (such as land or real estate) with which to secure credit.

Assistance programs have collaborated intensively with financial institutions to streamline and improve their loan approval processes to improve access to finance for SMEs. USAID is supporting the Tunisian government in implementing tax policy and administration, and customs reforms. The purposes of the reforms are to improve tax policy and to enhance effectiveness, fairness, and transparency in tax and customs administration.

In the area of business reform, USAID's Business Reform and Competitiveness Project is generating priorities for business reforms from its enterprise competitiveness work. Employment is a Tunisian government policy priority and as of April 2016, the project had generated 9,980 jobs and leveraged US $22.4 million (from non U.S. government sources). This project is presently able to create a job for between US $800 to $900. Under this project, partners are identifying the specific business environment challenges – such as certifications – for the Government of Tunisia to address so that both Tunisia and Tunisian enterprises may become more competitive.

West Bank and Gaza: At present, the Palestinian Authority (PA) lags behind most of the world in using technology-based government-to-citizen systems. In partnership with the Palestinian Information Technology (IT) Association, USAID provided assistance to develop a cost benefit analysis study and policy paper to encourage the PA to partner with the private sector for the implementation of e-government services. The Ministry of Telecommunications and IT endorsed the USAID study and, as a result, the PA Cabinet issued a decree in November 2015 approving the recommendations of the policy paper. USAID assisted the ministry to complete 10 e-government service activities. The objective of this initiative was to facilitate public sector outsourcing of e-government services to the private sector to directly serve Palestinians, encourage business-enabling policy changes, and further the development of government-to-citizen e-solutions. In addition, USAID's assistance to the Minister of National Economy helped to get a secured transactions law and a movable assets law.

SOUTH ASIA

Afghanistan: USAID has worked with the Afghan government, private sector, and international partners to implement laws and policies to support trade, increase exports, promote transparency, and reduce trade barriers to improve the business environment. USAID helped the Afghan government negotiate the Afghanistan-Pakistan Trade and Transit Agreement, and supports its

implementation, as well as Afghanistan's ongoing efforts to comply with World Trade Organization (WTO) requirements. Afghanistan's accession to the WTO is the culmination of more than a decade of legislative reforms and trade negotiations. Since USAID began providing technical assistance for customs reform in 2009, average times for goods crossing Afghanistan's borders have decreased and in 2015 custom revenues increased by 25 percent.

USAID provides technical support to facilitate growth of the telecommunications sector in Afghanistan, a US $800 million per year industry employing more than 100,000 individuals. USAID helps micro, small, and medium-sized businesses receive loans, connect to new markets, and learn new skills. By working to reduce compliance costs for businesses and promote private-sector enabling legislation, USAID works to improve the business climate and transparency to make Afghanistan more attractive to domestic and international investors. Since 2009, USAID has strengthened Afghanistan's private sector through management training, market information assistance, and public-private alliance grants. As of July 2016, USAID has launched 284 public-private alliances, mobilizing US $261 million of investment in the private-sector. Eighty-seven percent of this investment was provided by private sector partners in construction, food processing, consumer goods manufacturing, insurance, natural-resource extraction, apparel, communications/media, and information technology. Since 2011, USAID facilitated US $52 million in loans to individuals and businesses to create or sustain 5,977 jobs. USAID is also providing critical financing for Afghan businesses through credit guarantees and is also supporting the development of mobile money as an innovative way to expand access to digital finance and reduce corruption through secure technology.

Pakistan: Through a range of programs and public-private partnerships in agriculture and other sectors of Pakistan's economy, U.S. assistance helped Pakistan create jobs and foster economic growth. USAID programming will improve the financial and operating performance of at least 6,000 small and medium enterprises in a maximum of seven industrial, manufacturing, and service sectors. In June 2016, U.S. and Pakistan governments convened in New York the fourth U.S.-Pakistan Business Opportunities Conference. The U.S. Department of Commerce is providing technical assistance in the areas of trade facilitation, intellectual property reform, competition and telecommunications law, and commercial law education. In 2016, more than 200 Pakistani private sector representatives attended trade shows in 15 different U.S. states, where they got exposure to U.S. companies and business associations on best practices. The Department of Commerce also trains private sector professionals in a variety of industries, including supply chain, packaging, and gems and jewelry.

To leverage this growing interaction with the private sector, the USAID Islamabad Mission has established a new Innovations and Partnerships unit, which will increasingly use public-private partnerships in Pakistan to leverage private sector financial resources and knowledge. One such example was USAID's partnership with the Nestle Foundation, which leveraged Nestle resources to increase milk yields by 11 percent and revenues on average by US $60 per month for 22,600 dairy farmers. USAID has also provided US $72 million for the Pakistan Private Investment Initiative (PPII), which is matching U.S. funding with private equity capital to make nearly US $150 million available for investment in small and medium enterprises with high growth potential. Furthermore, the WECREATE Center, a co-working space and incubator for women entrepreneurs, originally received U.S. funding but in 2016 became self-sustaining. In

2016, Pakistan sent the largest foreign delegation to the annual Global Entrepreneurship Summit, which took place in Silicon Valley. To further facilitate private investment by U.S. companies, the Overseas Private Investment Corporation has facilitated US $800 million in financing and insurance for projects in Pakistan.

INTRAREGIONAL TRADE

Europe and Eurasia Regional Program: USAID's Regional Economic Growth Project supports inclusive and sustainable economic growth in the Europe and Eurasia region through greater integration and harmonization of regional markets by improving firms' competitiveness, reducing the barriers to intra-regional and inter-regional trade, and increasing financial sector stability.

Central Asia/South Asia electricity transmission project (CASA-1000): CASA-1000 is expected to provide a transmission infrastructure with contractual and institutional arrangements to facilitate the export of 1,300 megawatts of electricity from the Kyrgyz Republic and Tajikistan to Afghanistan and Pakistan. CASA-1000 represents an important milestone of cooperation among these countries to help transform the region and serve as an important step toward realizing the planned Central Asia-South Asia Regional Electricity Market.

Central Asia Regional Program: The United States is advancing the New Silk Road Initiative and creating trade and jobs across the region, facilitating stronger economic ties, and advancing regional connectivity between South and Central Asia. Through USAID's Regional Economic Cooperation Project, the United States supported legal and regulatory improvements with host governments, business-to-business networking opportunities, and private sector training to increase cross-border trade between Central and South Asia.

South Asia Regional Initiative for Energy Integration (SARI/EI): The SARI/EI program activities are expected to increase government's capacity to participate in regional power wheeling, harmonize grid codes, and develop policies and regulatory frameworks that support a regional energy market, while ensuring that environmental and social impacts of energy projects are minimized.

Chapter 6
Foreign Terrorist Organizations

Foreign Terrorist Organization (FTO) designations are an important element of our counterterrorism efforts. Designations of foreign terrorist groups expose and isolate these organizations, deny them access to the U.S. financial system, and create significant criminal and immigration consequences for their members and supporters. Moreover, designations can assist or complement the law enforcement actions of other U.S. agencies and other governments.

In 2016, the Department of State designated the following terrorist groups as FTOs: ISIS-Khorasan, ISIL-Libya, and al-Qa'ida in the Indian Subcontinent. The Department of State also amended the FTO designations of al-Nusrah Front on November 10 to include the alias Jabhat Fath al-Sham and of Lashkar e-Tayyiba on December 28 to include the alias Al-Muhammadia Students.

Legal Criteria for Designation under Section 219 of the INA as amended:

1. It must be a *foreign organization.*

2. The organization must *engage in terrorist activity*, as defined in section 212 (a)(3)(B) of the INA (8 U.S.C. § 1182(a)(3)(B)), or *terrorism*, as defined in section 140(d)(2) of the Foreign Relations Authorization Act, Fiscal Years 1988 and 1989 (22 U.S.C. § 2656f(d)(2)), *or retain the capability and intent to engage in terrorist activity or terrorism*.

3. The organization's terrorist activity or terrorism must threaten the security of U.S. nationals or the national security (national defense, foreign relations, or the economic interests) of the United States.

U.S. Government Designated Foreign Terrorist Organizations

Abdallah Azzam Brigades (AAB)
Abu Nidal Organization (ANO)
Abu Sayyaf Group (ASG)
Al-Aqsa Martyrs Brigade (AAMB)
Ansar al-Dine (AAD)
Ansar al-Islam (AAI)
Ansar al-Shari'a in Benghazi (AAS-B)
Ansar al-Shari'a in Darnah (AAS-D)
Ansar al-Shari'a in Tunisia (AAS-T)
Army of Islam (AOI)
Asbat al-Ansar (AAA)
Aum Shinrikyo (AUM)
Basque Fatherland and Liberty (ETA)
Boko Haram (BH)
Communist Party of Philippines/New People's Army (CPP/NPA)

Continuity Irish Republican Army (CIRA)
Gama'a al-Islamiyya (IG)
Hamas
Haqqani Network (HQN)
Harakat ul-Jihad-i-Islami (HUJI)
Harakat ul-Jihad-i-Islami/Bangladesh (HUJI-B)
Harakat ul-Mujahideen (HUM)
Hizballah
Indian Mujahedeen (IM)
Islamic Jihad Union (IJU)
Islamic Movement of Uzbekistan (IMU)
Islamic State of Iraq and Syria (ISIS)
Islamic State's Khorasan Province (ISIS-K)
ISIL-Libya
ISIL Sinai Province (ISIL-SP)
Jama'atu Ansarul Muslimina Fi Biladis-Sudan (Ansaru)
Jaish-e-Mohammed (JeM)
Jaysh Rijal Al-Tariq Al-Naqshabandi (JRTN)
Jemaah Ansharut Tauhid (JAT)
Jemaah Islamiya (JI)
Jundallah
Kahane Chai
Kata'ib Hizballah (KH)
Kurdistan Workers' Party (PKK)
Lashkar e-Tayyiba (LeT)
Lashkar i Jhangvi (LJ)
Liberation Tigers of Tamil Eelam (LTTE)
Mujahidin Shura Council in the Environs of Jerusalem (MSC)
Al-Mulathamun Battalion (AMB)
National Liberation Army (ELN)
Al-Nusrah Front (ANF)
Palestine Islamic Jihad (PIJ)
Palestine Liberation Front – Abu Abbas Faction (PLF)
Popular Front for the Liberation of Palestine (PFLP)
Popular Front for the Liberation of Palestine-General Command (PFLP-GC)
Al-Qa'ida (AQ)
Al-Qa'ida in the Arabian Peninsula (AQAP)
Al-Qa'ida in the Indian Subcontinent (AQIS)
Al-Qa'ida in the Islamic Maghreb (AQIM)
Real IRA (RIRA)
Revolutionary Armed Forces of Colombia (FARC)
Revolutionary People's Liberation Party/Front (DHKP/C)
Revolutionary Struggle (RS)
Al-Shabaab (AS)
Shining Path (SL)
Tehrik-e Taliban Pakistan (TTP)

ABDALLAH AZZAM BRIGADES

aka Abdullah Azzam Brigades; Ziyad al-Jarrah Battalions of the Abdallah Azzam Brigades; Yusuf al-'Uyayri Battalions of the Abdallah Azzam Brigades

Description: Designated as a Foreign Terrorist Organization on May 30, 2012, the Abdallah Azzam Brigades (AAB) formally announced its establishment in a July 2009 video statement claiming responsibility for a February 2009 rocket attack against Israel. The group is divided into two branches: the Arabian Peninsula-based Yusuf al-'Uyayri Battalions of the Abdullah Azzam Brigades, named after the deceased founder of al-Qa'ida in Saudi Arabia, Yusef al-'Uyayri; and the Lebanon-based Ziyad al-Jarrah Battalions of the Abdallah Azzam Brigades, named after Lebanese citizen Ziad al Jarrah, one of the planners of the September 11 attacks on the United States.

Activities: After its initial formation, AAB relied primarily on rocket attacks against Israeli civilians. It is responsible for numerous rocket attacks fired into Israeli territory from Lebanon targeting – among other things – population centers, including Nahariya and Ashkelon.

In November 2013, AAB began targeting Hizballah. AAB claimed responsibility for a suicide bombing outside the Iranian Embassy in Beirut, Lebanon, which killed 23 people and wounded more than 140. The group warned it would carry out more attacks if Hizballah did not stop sending fighters to Syria in support of Syrian government forces.

In February 2014, AAB again attacked Hizballah for its involvement in the Syrian conflict, claiming a twin suicide bomb attack against the Iranian cultural center in Beirut, which killed four people. AAB was also believed to be responsible for a series of bombings in Hizballah-controlled areas around Beirut. In June 2014, AAB was believed to have targeted Lebanese General Security head Major General Abbas Ibrahim in a suicide bombing at a police checkpoint on the Beirut-Damascus highway; Ibrahim narrowly escaped. AAB also was blamed for a suicide bombing in June 2014 in the Beirut neighborhood of Tayyouneh, which killed a security officer and wounded 25 people.

In February 2015, Lebanon's military court charged four AAB suspects for their involvement in the June 2014 suicide bombings. During 2015 and 2016, AAB continued its involvement in the Syrian conflict. In June 2015, the group released photos of a training camp for its "Marwan Hadid Brigade" camp in Syria, likely located in Homs province.

Strength: Unknown

Location/Area of Operation: AAB is based in Lebanon but operates in both Lebanon and Syria.

Funding and External Aid: Unknown

ABU NIDAL ORGANIZATION

aka ANO; Arab Revolutionary Brigades; Arab Revolutionary Council; Black September; Fatah Revolutionary Council; Revolutionary Organization of Socialist Muslims

Description: The Abu Nidal Organization (ANO) was designated as a Foreign Terrorist Organization on October 8, 1997. The group was formed by Sabri al-Banna (aka Abu Nidal) in 1974 after splitting from the Palestine Liberation Organization. In August 2002, Nidal died in Baghdad. Leadership of the organization after Nidal's death remains unclear. The ANO has advocated for the elimination of Israel and sought to derail diplomatic efforts in support of the Middle East peace process.

Activities: The ANO has carried out terrorist attacks in 20 countries, killing or injuring almost 900 people. It has not staged a major attack against Western targets since the late 1980s and was expelled from its safe haven in Libya in 1999. Major attacks include those on the Rome and Vienna airports in 1985, the 1986 attack on the Neve Shalom Synagogue in Istanbul, the hijacking of Pan Am Flight 73 in Karachi in 1986, and the 1988 attack on the City of Poros day-excursion ship in Greece. The ANO was suspected of assassinating PLO Deputy Chief Abu Iyad and PLO Security Chief Abu Hul in Tunis in 1991, and a senior Jordanian diplomat in Beirut in 1994. In 2008, a Jordanian official apprehended an ANO member planning to carry out attacks in Jordan. The ANO has been dormant since 2014.

Strength: Unknown

Location/Area of Operation: ANO associates may still exist in Lebanon, although they are likely inactive.

Funding and External Aid: Unknown

ABU SAYYAF GROUP

aka al Harakat al Islamiyya (the Islamic Movement)

Description: The Abu Sayyaf Group (ASG) was designated as a Foreign Terrorist Organization on October 8, 1997. The ASG split from the Moro Islamic Liberation Front in the early 1990s and has since become the most violent terrorist group in the Philippines. The group claims to promote an independent Islamic state in western Mindanao and the Sulu Archipelago.

Activities: The ASG has committed kidnappings-for-ransom, bombings, ambushes of security personnel, public beheadings, assassinations, and extortion. In April 2000, an ASG faction kidnapped 21 people, including 10 Western tourists, from a resort in Malaysia. In May 2001, the group kidnapped three U.S. citizens and 17 Philippine citizens from a tourist resort in Palawan, Philippines; several hostages were murdered, including U.S. citizen Guillermo Sobero. A hostage rescue operation in June 2002 freed U.S. hostage Gracia Burnham; her husband, U.S. national Martin Burnham was killed during the operation. In October 2002, Philippine and

U.S. authorities blamed the ASG for a bombing near a military base in Zamboanga that killed a U.S. soldier, and in February 2004, the ASG bombed SuperFerry 14 in Manila Bay, killing 116 people. On July 28, 2014, ASG militants armed with assault rifles opened fire on civilians celebrating the end of Ramadan, killing at least 21 people – including six children and at least four members of a Talipao security force – and wounding 11 others.

In a July 2014 video, senior ASG leader and Federal Bureau of Investigation most-wanted terrorist Isnilon Hapilon swore allegiance to ISIS and ISIS leader Abu Bakr al-Baghdadi. Since then, several ASG and other violent extremist factions have also pledged allegiance to ISIS. Hapilon is now thought to be the leader of all ISIS-affiliated groups in the Philippines.

Throughout 2015, the ASG was responsible for multiple attacks, including the February abduction of a 73-year-old Korean businessman (freed after 10 days in captivity) in Lanao del Sur and the May kidnappings of two civilians, two Philippine Coast Guard personnel, and a Philippine city official during various incidents; some of these hostages were later beheaded. In September, the ASG was blamed for the armed abduction of two Canadians, a Norwegian, and a Philippine woman from the Holiday Oceanview Samal Resort on Samal Island. The ASG set ransom at US $60 million. In 2016, the two Canadian citizens were beheaded when ransom deadlines were not met.

The group continued its kidnapping-for-ransom operations in 2016, collecting approximately US $7.3 million during the first six months of the year.

Strength: The ASG is estimated to have 400 members.

Location/Area of Operation: Primarily in the Philippine provinces of the Sulu Archipelago – namely Basilan, Sulu, and Tawi-Tawi – and on the Zamboanga Peninsula. The group has also conducted cross-border operations into eastern Malaysia.

Funding and External Aid: The ASG is funded through kidnapping-for-ransom operations and extortion. It may receive funding from external sources, including remittances from supportive overseas Philippine workers and Middle East-based sympathizers. In the past, the ASG has also received assistance from regional terrorist groups such as Jemaah Islamiya, whose operatives have provided training to ASG members and have helped facilitate several ASG terrorist attacks.

AL-AQSA MARTYRS BRIGADE

aka al-Aqsa Martyrs Battalion

Description: Designated as a Foreign Terrorist Organization on March 27, 2002, the al-Aqsa Martyrs Brigade (AAMB) is composed of small cells of Fatah-affiliated activists that emerged at the outset of the al-Aqsa Intifada in September 2000. AAMB strives to drive the Israeli military and West Bank settlers from the West Bank to establish a Palestinian state loyal to Fatah.

Activities: During the 2000 Intifada, AAMB carried out primarily small-arms attacks against Israeli military personnel and settlers. By 2002, the group was striking Israeli civilians inside

Israel. In January 2002, AAMB claimed responsibility for the first female suicide bombing in Israel. In 2010 and 2011, the group launched numerous rocket attacks on communities in Israel, including the city of Sederot and areas of the Negev desert. In November 2012, two men recruited by AAMB were arrested in connection with the stabbing of a student in Beersheba, Israel. That same year, AAMB claimed it had fired more than 500 rockets and missiles into Israel during Operation Pillar of Defense, the week-long Israel Defense Forces operation in Gaza.

In February 2015, AAMB declared an open war against Israel. In a television broadcast in June 2015, AAMB asked Iran for funds to help the group in its fight against Israel. In the same broadcast, an AAMB fighter displayed a new two-mile tunnel crossing the border beneath Gaza and Israel, which the leader claimed would be used in the next rounds of battle. In October 2015, the group announced it had developed a new rocket, the K60, with a 40-mile firing range. Throughout 2015, AAMB continued attacking Israeli soldiers and civilians; the group was responsible for the October 2015 fatal shooting of husband and wife, Rabbi Eitam and Na'ama Henkin.

In March 2016, armed confrontation in Nablus between Palestinian youths and Palestinian security officials broke out following the arrest of an AAMB associate on charges of murder; seven youths and six Palestinian security officials were injured in the unrest.

Strength: Estimated at a few hundred members.

Location/Area of Operation: Most of AAMB's operational activity is in Gaza but it has also planned and conducted attacks inside Israel and the West Bank. AAMB has members in Palestinian refugee camps in Lebanon.

Funding and External Aid: Iran has provided AAMB with funds and guidance, mostly although Hizballah facilitators.

ANSAR AL-DINE

aka Ansar Dine; Ansar al-Din; Ancar Dine; Ansar ul-Din; Ansar Eddine; Defenders of the Faith

Description: The Mali-based group Ansar al-Dine (AAD) was designated as a Foreign Terrorist Organization on March 22, 2013. AAD was created in late 2011 after AAD's leader Iyad ag Ghali failed in his attempt to take over another secular Tuareg organization. Following the March 2012 coup that toppled the Malian government, AAD was among the organizations (including al-Qa'ida in the Islamic Maghreb (AQIM) and Movement for Unity and Jihad in West Africa) to take over northern Mali, destroy UNESCO World Heritage sites, and enforce a severe interpretation of Sharia law upon the civilian population living in the areas under its control.

Beginning in January 2013, French and allied African forces conducted operations in northern Mali to counter AAD and other violent extremist groups, eventually forcing AAD and its allies out of the population centers they had seized. Ghali, however, remained free, and has appeared

in AAD videos in 2015 and 2016 threatening France and the UN Multidimensional Integrated Stabilization Mission in Mali (MINUSMA).

Activities: AAD received backing from AQIM in its fight against the Government of Mali, including for its capture of the Malian towns of Agulhok, Gao, Kidal, Tessalit, and Timbuktu, between January and April 2012. In March 2012, AAD members were reportedly among the Tuareg rebels responsible for killing 82 Malian soldiers and kidnapping 30 others in an attack against Agulhok. Before the French intervention in January 2013, Malian citizens in towns under AAD's control who refused to comply with AAD's laws allegedly faced harassment, torture, and death.

AAD was severely weakened by the 2013 French intervention, but increased its activities in 2015 and 2016. In 2016, AAD claimed attacks targeting the Malian army and MINUSMA. In February, AAD launched a suicide and rocket attack on a UN base in Kidal that killed six peacekeepers. In April, the group kidnapped three workers from the International Committee of the Red Cross. In July, AAD attacked an army base, leaving 17 soldiers dead and six missing. On August 16 alone, the group claimed three attacks: two improvised explosive device attacks on French forces and a rocket or mortar attack on a joint UN-French base near Tessalit. In October, AAD claimed credit for a series of attacks on UN forces near Agulhok, and in November, took responsibility for several attacks on French and UN forces. A November attack on a military convoy in the central region of Mopti killed a UN peacekeeper and two Malian civilians, and injured seven peacekeepers.

Strength: The group's exact membership numbers were unknown at the end of 2016.

Location/Area of Operation: AAD is active in Mali, and has also threatened to attack Mauritania and the Ivory Coast.

Funding and External Aid: AAD cooperates closely with and has received support from AQIM since its inception. AAD is also said to receive funds from foreign donors and through smuggling.

ANSAR AL-ISLAM

aka Ansar al-Sunna; Ansar al-Sunna Army; Devotees of Islam; Followers of Islam in Kurdistan; Helpers of Islam; Jaish Ansar al-Sunna; Jund al-Islam; Kurdish Taliban; Kurdistan Supporters of Islam; Partisans of Islam; Soldiers of God; Soldiers of Islam; Supporters of Islam in Kurdistan

Description: Ansar al-Islam (AAI) was designated as a Foreign Terrorist Organization on March 22, 2004. AAI was established in 2001 in the Iraqi Kurdistan region with the merger of two Kurdish violent extremist factions that traced their roots to the Islamic Movement of Kurdistan. On May 4, 2010, AAI's leader Abu Abdullah al-Shafi'i was captured by U.S. forces in Baghdad; he remained in prison at the end of 2016. On December 15, 2011, AAI announced a new leader: Abu Hashim Muhammad bin Abdul Rahman al Ibrahim. AAI seeks to expel western interests from Iraq and establish an independent Iraqi state based on its interpretation of Sharia law.

In March 2012, a Norwegian court convicted Iraqi citizen and AAI founder Mullah Krekar (aka Najmuddin Faraj Ahmad) of issuing threats and inciting terrorism, and sentenced him to six years in prison. Living in Norway on a long-term resident permit, Krekar appealed, and in December 2012, an appeals court affirmed his convictions for issuing threats and intimidating witnesses, but reversed his conviction for inciting terrorism. The appeals court reduced his prison sentence to two years and 10 months. He was released from prison in late January 2015, but was arrested again shortly after for praising the January 2015 Charlie Hebdo attacks in Paris in a television interview.

Activities: AAI has conducted attacks against a wide range of targets including Iraqi government and security forces, and U.S. and Coalition Forces. AAI has carried out numerous kidnappings, murders, and assassinations of Iraqi citizens and politicians. The group has either claimed responsibility, or is believed to be responsible, for attacks in 2011 that resulted in 24 deaths and wounded 147. In 2012, the group claimed responsibility for the bombing of the Sons of Martyrs School in Damascus, which was occupied by Syrian security forces and pro-government militias; seven people were wounded in the attack. In 2014, AAI claimed responsibility for attacks near Kirkuk, Tikrit, and Mosul, Iraq, primarily directed against Iraqi police and security forces and, in one instance, an oil field.

During summer 2014, part of AAI issued a statement pledging allegiance to ISIS. In 2015, however, reports suggested that a faction of AAI in Syria continued to oppose ISIS. In June 2015, for example, AAI urged factions in Aleppo to confront ISIS "militarily and religiously." In 2016, AAI continued to operate in Syria.

Strength: Precise numbers are unknown.

Location/Area of Operation: AAI is active primarily in northern Iraq, but also maintains a presence in western and central Iraq. AAI expanded its operations into Syria in 2011.

Funding and External Aid: AAI receives assistance from a loose network of associates in Europe and the Middle East.

ANSAR AL-SHARI'A IN BENGHAZI

aka Ansar al-Sharia in Libya; Ansar al-Shariah Brigade; Ansar al-Shari'a Brigade; Katibat Ansar al-Sharia in Benghazi; Ansar al-Shariah-Benghazi; Al-Raya Establishment for Media Production; Ansar al-Sharia; Soldiers of the Sharia; Ansar al-Shariah; Supporters of Islamic Law

Description: Designated as a Foreign Terrorist Organization on January 13, 2014, Ansar al-Shari'a in Benghazi (AAS-B) was created after the 2011 fall of the Qadhafi regime in Libya. It has been involved in terrorist attacks against civilian targets, and assassinations and attempted assassinations of security officials and political actors in eastern Libya.

Activities: Members of AAS-B were involved in the September 11, 2012, attacks against the U.S. Special Mission and Annex in Benghazi, Libya. Four U.S. citizens were killed in the

attack: Glen Doherty, Sean Smith, Tyrone Woods, and the U.S. Ambassador to Libya, J. Christopher Stevens.

During 2016, AAS-B continued its fight against the "Libyan National Army" in Benghazi that resulted in the deaths of both Libyan security forces and civilians. The group is believed to have cooperated with Ansar al-Shari'a in Darnah in some of its attacks targeting Libyan security forces in Benghazi.

In addition to its attacks, AAS-B controlled several terrorist training camps in Libya, and has trained members of other terrorist organizations, some which operate in Syria, Iraq, and Mali.

Strength: Unknown

Location/Area of Operation: Benghazi, Libya

Funding and External Aid: In the past, AAS-B has obtained funds from al-Qa'ida in the Islamic Maghreb, charities, donations, and criminal activities.

ANSAR AL-SHARI'A IN DARNAH

aka Supporters of Islamic Law; Ansar al-Sharia in Derna; Ansar al-Sharia in Libya; Ansar al-Sharia; Ansar al-Sharia Brigade in Darnah

Description: Designated as a Foreign Terrorist Organization on January 13, 2014, Ansar al-Shari'a in Darnah (AAS-D) was created after the 2011 fall of the Qadhafi regime in Libya. It has been involved in terrorist attacks against civilian targets, and assassinations and attempted assassinations of security officials and political actors in eastern Libya.

Activities: Members of AAS-D were involved in the September 11, 2012, attacks against the U.S. Special Mission and Annex in Benghazi, Libya. Four U.S. citizens were killed in the attack: Glen Doherty, Sean Smith, Tyrone Woods, and the U.S. Ambassador to Libya, J. Christopher Stevens.

In 2013 and 2014, AAS-D is believed to have cooperated with Ansar al-Shari'a in Benghazi in multiple attacks and suicide bombings targeting Libyan security forces in Benghazi. In 2016, AAS-D continued its involvement in fighting in and around Darnah.

In addition to its attacks, AAS-D maintained several terrorist training camps in Darnah and Jebel Akhdar, Libya, and has trained members of other terrorist organizations operating in Syria and Iraq.

Strength: Unknown

Location/Area of Operation: Darnah, Libya

Funding and External Aid: Unknown

ANSAR AL-SHARI'A IN TUNISIA

aka Al-Qayrawan Media Foundation; Supporters of Islamic Law; Ansar al-Sharia in Tunisia; Ansar al-Shari'ah; Ansar al-Shari'ah in Tunisia; Ansar al-Sharia

Description: Designated as a Foreign Terrorist Organization on January 13, 2014, Ansar al-Shari'a in Tunisia (AAS-T) was founded by Seif Allah Ben Hassine in early 2011. AAS-T has been implicated in attacks against Tunisian security forces, assassinations of Tunisian political figures, and attempted suicide bombings of locations frequented by tourists. AAS-T has also recruited youth in Tunisia to fight in Syria.

Activities: AAS-T was involved in the September 14, 2012 attack against the U.S. Embassy and American school in Tunis, which threatened the safety of more than 100 U.S. Embassy employees. In February and July 2013, AAS-T members were implicated in the assassination of Tunisian politicians, Chokri Belaid and Mohamed Brahmi. In October 2013, a bomber associated with AAS-T blew himself up outside a hotel in Sousse, Tunisia, resulting in no other fatalities. On the same day, police prevented a suicide bombing in Monastir, Tunisia, when they arrested a would-be bomber at the Tomb of Habib Bourguiba.

Tunisian authorities continued to confront and arrest AAS-T members in 2016.

Strength: Unknown

Location/Area of Operation: Tunisia and Libya

Funding and External Aid: Unknown

ARMY OF ISLAM

aka Jaysh al-Islam; Jaish al-Islam

Description: Designated as a Foreign Terrorist Organization on May 19, 2011, the Army of Islam (AOI), founded in late 2015, is a Gaza-based terrorist organization responsible for numerous terrorist acts against the Israeli and Egyptian governments and British, New Zealand, and U.S. citizens. The group, led by Mumtaz Dughmush, subscribes to a violent extremist Salafist ideology.

Activities: AOI is responsible for a number of rocket attacks on Israel, the 2006 kidnapping of a U.S. and a New Zealander journalist in Gaza, and the 2007 kidnapping of a British citizen in Gaza. AOI also carried out the early 2009 attacks on Egyptian civilians in Cairo and Heliopolis, Egypt, and planned the January 1, 2011, attack on a Coptic Christian church in Alexandria that killed 25 and wounded 100. On July 28, 2012, AOI released a statement that its member Nidal al 'Ashi was killed fighting in Syria, and in November 2012 announced that it had launched rocket attacks on Israel in a joint operation with the Mujahidin Shura Council in the Environs of Jerusalem. In August 2013, an Israeli official reported that AOI leader Dughmush was running

training camps in Gaza. In August 2014, Israeli forces reportedly intercepted and killed several AOI fighters allegedly planning to attack Israel.

In September 2015, AOI reportedly released a statement pledging allegiance to ISIS. In the short post attributed to the group, AOI declared itself an inseparable part of ISIL-Sinai Province, the ISIS-branch in Egypt's Sinai Peninsula.

In 2016, AOI continued to express support for ISIS. The group released a video in October in an effort to encourage ISIS fighters defending Mosul.

Strength: Membership is estimated in the low hundreds.

Location/Area of Operation: Egypt, Gaza, and Israel.

Funding and External Aid: AOI receives much of its funding from a variety of criminal activities in Gaza.

ASBAT AL-ANSAR

aka AAA; Band of Helpers; Band of Partisans; League of Partisans; League of the Followers; God's Partisans; Gathering of Supporters; Partisan's League; Esbat al-Ansar; Isbat al-Ansar; Osbat al-Ansar; Usbat al-Ansar; Usbat ul-Ansar

Description: Designated as a Foreign Terrorist Organization on March 27, 2002, Asbat al-Ansar (AAA) is a Lebanon-based violent Sunni terrorist group composed primarily of Palestinians. Linked to al-Qa'ida and other Sunni violent extremist groups, AAA aims to thwart perceived anti-Islamic and pro-Western influences in the country. AAA's base is largely confined to Lebanon's refugee camps.

Activities: AAA first emerged in the early 1990s. In the mid-1990s, the group assassinated Lebanese religious leaders and bombed nightclubs, theaters, and liquor stores. The group has also plotted against foreign diplomatic targets. In October 2004, AAA member Mahir al-Sa'di was sentenced in absentia to life imprisonment for his 2000 plot to assassinate then-U.S. Ambassador to Lebanon David Satterfield. Between 2005 and 2011, AAA members traveled to Iraq to fight Coalition Forces. AAA has been reluctant to involve itself in operations in Lebanon due in part to concerns of losing its safe haven in the Ain al-Hilwah refugee camp. AAA did not publicly claim any attacks in 2016.

Strength: The group has at least 650 members.

Location/Area of Operation: The group's primary base of operations is the Ain al-Hilwah Palestinian refugee camp near Sidon in southern Lebanon.

Funding and External Aid: It is likely the group receives money through international Sunni extremist networks.

AUM SHINRIKYO

aka A.I.C. Comprehensive Research Institute; A.I.C. Sogo Kenkyusho; Aleph; Aum Supreme Truth

Description: Aum Shinrikyo (AUM) was designated as a Foreign Terrorist Organization on October 8, 1997. It was established in 1987 by now-jailed leader Shoko Asahara and gained legal status in Japan as a religious entity in 1989. The Japanese government revoked its recognition of AUM as a religious organization following AUM's deadly 1995 sarin gas attack in Tokyo. Despite claims it has renounced violence and Asahara's teachings, members of AUM continue to adhere to the violent and apocalyptic teachings of its founder.

Activities: In March 1995, AUM members simultaneously released the chemical nerve agent sarin on several Tokyo subway trains, killing 13 and causing up to 6,000 people to seek medical treatment. Subsequent investigations by the Japanese government revealed the group was responsible for other mysterious chemical incidents in Japan in 1994, including a sarin gas attack on a residential neighborhood in Matsumoto that killed seven and injured approximately 500. Japanese police arrested Asahara in May 1995; in February 2004, authorities sentenced him to death for his role in the 1995 attacks, but have yet to carry out the sentence. In 2010 and 2011, several death sentences for other AUM senior members were finalized or affirmed by Japanese courts. In 2012, the final three AUM fugitives were arrested after 17 years on the run. In April 2015, the Tokyo District Court sentenced former AUM sect leader Katsuya Takahashi to life in prison for his involvement in the 1995 Tokyo subway sarin attack and three other attacks carried out by the group in the 1990s.

Since 1997, the group has split into two factions, both of which have recruited new members, engaged in commercial enterprises, and acquired property. In July 2000, Russian authorities arrested a group of Russian AUM followers who planned to detonate bombs in Japan as part of an operation to free Asahara from jail and smuggle him to Russia. In August 2012, a Japan Airlines flight to the United States turned back after receiving a bomb threat demanding the release of Asahara.

Although AUM has not conducted a terrorist attack since 1995, concerns remain regarding its continued adherence to the violent teachings of Asahara. In March 2016, Montenegro expelled 58 people (43 from Russia, seven from Belarus, three from Ukraine, and one from Uzbekistan) associated with AUM found holding a conference at a hotel in Danilovgrad. One month later, Russian authorities carried out dozens of raids on 25 AUM properties and opened a criminal investigation into an AUM cell, stating the group's activities involved violence and posed a danger to civilian health; 10 people were detained in the raids.

Strength: In 2016, the group was estimated to have 1,500 followers. AUM continues to maintain facilities in Japan and Russia.

Location/Area of Operation: Japan and Russia

Funding and External Aid: Funding primarily comes from member contributions and group-run businesses.

BASQUE FATHERLAND AND LIBERTY

aka ETA; Askatasuna; Batasuna; Ekin; Euskal Herritarrok; Euzkadi Ta Askatasuna; Herri Batasuna; Jarrai-Haika-Segi; K.A.S.; XAKI

Description: Designated as a Foreign Terrorist Organization on October 8, 1997, Basque Fatherland and Liberty (ETA) was founded in 1959 with the aim of establishing an independent homeland based on Marxist principles in the Spanish Basque provinces of Alava, Guipuzcoa, and Viscaya; the autonomous region of Navarre; and the southwestern French territories of Labourd, Lower-Navarre, and Soule.

Activities: ETA has primarily conducted bombings and assassinations. Targets typically include Spanish government officials, businessmen, politicians, judicial figures, and security and military forces; however, the group has also targeted journalists and major tourist areas. ETA is responsible for killing 829 civilians and members of the armed forces and police, and injuring thousands since it formally began its campaign of violence in 1968.

ETA has committed numerous attacks in the last four decades, including the February 2005 car bombing in Madrid that wounded more than 20 people at a convention center where Spanish King Juan Carlos and then-Mexican President Vicente Fox were scheduled to appear. In December 2006, ETA exploded a massive car bomb destroying much of the covered parking garage at Madrid's Barajas International Airport. ETA marked its fiftieth anniversary in 2009 with a series of high profile and deadly bombings, including the July 2009 attack on a Civil Guard Barracks that injured more than 60 men, women, and children.

ETA has not launched any attacks since it announced a "definitive cessation of armed activity" in October 2011.

At the end of 2016, the group had yet to formally disband or give up its weapons arsenal. Authorities seized ETA weapons in 2016, including a cache found in a forest north of Paris. In 2016, the presumed top ETA leader was also captured in a joint French and Spanish operation near the French border with Spain.

Strength: Since 2004, more than 900 ETA militants have been arrested both in Spain and abroad. It is unknown how many ETA members remain.

Location/Area of Operation: Primarily in the Basque autonomous regions of northern Spain and southwestern France, and Madrid.

Funding and External Aid: ETA is probably experiencing financial shortages given that the group announced publicly in September 2011 that it had ceased collecting "revolutionary taxes" from Basque businesses. Sources of ETA funding were unknown in 2016.

BOKO HARAM

aka Nigerian Taliban; Jama'atu Ahlus-Sunnah Lidda'Awati Wal Jihad; Jama'atu Ahlis Sunna Lidda'awati wal-Jihad; People Committed to the Prophet's Teachings for Propagation and Jihad; Sunni Group for Preaching and Jihad

Description: Nigeria-based Boko Haram (BH) was designated as a Foreign Terrorist Organization on November 14, 2013. The group is responsible for numerous attacks in northern and northeastern Nigeria, and the Lake Chad Basin in Cameroon, Chad, and Niger that have killed thousands of people since its reemergence in 2009.

In March 2015, BH pledged allegiance to ISIS in an audiotape message; ISIS accepted the group's pledge and the group began calling itself ISIS-West Africa. In August 2016, ISIS announced that Abu Musab al-Barnawi was to replace Abubakar Shekau as the new leader of the group. Shekau continues to maintain a group of followers concentrated in the Sambisa Forest; in a recent video, Shekau referred to his faction as Jama'atu ahlus-sunnah lidda await wal jihad (Boko Haram). The Government of Nigeria routinely calls both Boko Haram.

Activities: BH was responsible for the August 26, 2011 bomb attack on the UN building in Abuja that killed at least 21 people and wounded dozens more. The group was also responsible for a series of bomb attacks in 2012 in Kano, Nigeria.

Boko Haram has increasingly crossed Nigerian borders to evade pressure and conduct operations. In February 2013, BH claimed responsibility for kidnapping seven French tourists in the Far North of Cameroon. Security forces from Chad and Niger also reportedly participated in skirmishes against suspected BH members along Nigeria's borders. In 2013, the group also kidnapped eight French citizens in northern Cameroon and obtained ransom payments for their release.

In 2014, BH killed approximately 5,000 Nigerian civilians in various attacks. The kidnapping of 276 female students from a secondary school in Chibok, Borno State, brought global attention to Boko Haram's activities and highlighted its deliberate targeting of non-combatants, including children. In 2015, the group continued to abduct women and girls in the northern region of Nigeria, some of whom it later subjected to domestic servitude, other forms of forced labor, and sexual servitude through forced marriages to its members. (For further information, refer to *the Trafficking in Persons Report 2016*, http://www.state.gov/j/tip/rls/tiprpt/2016/index.htm.)

Between January 3 and 7, 2015, BH carried out a massacre in Baga, Borno State; reported casualties ranged from 150 to more than 2,000 killed, injured, or disappeared. The January 2015 attacks and other BH operations in surrounding smaller villages in 2015 displaced an estimated 35,000 people and allowed BH to gain control of Borno State. In February, BH expanded into Cameroon with an attack on the northern town of Fotokol, where it murdered residents inside their homes and in a mosque. On April 6, BH militants disguised as Islamic preachers killed at least 24 people and wounded several others in an attack near a mosque in Borno State; the attackers gathered people in the village of Kwajafa, offering to preach Islam, then opened fire.

In mid-October, BH conducted a coordinated attack on the Baga Sola market and a refugee camp in N'Djamena, Chad; 33 people were killed and 51 others wounded. On November 18, two young female suicide bombers detonated explosives just before afternoon prayers in Kano, killing 15.

BH continued its operational tempo through 2015 and into early 2016 under the name ISIS-West Africa, with January operations in Cameroon that killed 16 people. In February, the group resumed attacks in Nigeria, killing 30 people on February 13 in a spate of attacks in Borno State that included forcing worshipers into a mosque and killing them. On April 14, the group released a video of select teenage girls abducted during the Chibok incident as a "proof of life." BH released 21 Chibok schoolgirls to Nigerian authorities in exchange for the release of selected BH members in October; it was the first mass release of Chibok hostages since the 2014 abductions.

Strength: Membership is estimated to be several thousand fighters.

Location/Area of Operation: Northeastern Nigeria, northern Cameroon, southeast Niger, and areas of Chad along the border with Nigeria.

Funding and External Aid: BH largely self-finances through criminal activities such as looting, extortion, kidnapping-for-ransom, and bank robberies.

COMMUNIST PARTY OF PHILIPPINES/NEW PEOPLE'S ARMY

aka CPP/NPA; Communist Party of the Philippines; the CPP; New People's Army; the NPA

Description: The Communist Party of the Philippines/New People's Army (CPP/NPA) was designated as a Foreign Terrorist Organization on August 9, 2002. The military wing of the Communist Party of the Philippines (CPP) – the New People's Army (NPA) – is a Maoist group formed in March 1969 with the aim of overthrowing the government through protracted guerrilla warfare. NPA's founder, Jose Maria Sison, reportedly directs CPP/NPA activity from the Netherlands, where he lives in self-imposed exile. Luis Jalandoni, a fellow Central Committee member and director of the CPP's overt political wing, the National Democratic Front (NDF), also lives in the Netherlands. Although primarily a rural-based guerrilla group, CPP/NPA has an active urban infrastructure to support its terrorist activities and, at times, uses city-based assassination squads.

Senior CPP/NPA leaders Wilma and Benito Tiamzon were arrested in the Philippines in 2014. NPA second-in-command Adelberto Silva was arrested in 2015.

Activities: CPP/NPA primarily targets Philippine security forces, government officials, local infrastructure, and businesses that refuse to pay extortion, or "revolutionary taxes." CPP/NPA also has a history of attacking U.S. interests in the Philippines. In 1987, for example, CPP/NPA conducted direct actions against U.S. personnel and facilities, killing three U.S. soldiers in four separate attacks in Angeles City. In 1989, the group issued a press statement claiming

responsibility for the ambush and murder of Colonel James Nicholas Rowe, chief of the Ground Forces Division of the Joint U.S.-Military Advisory Group.

Over the past few years, CPP/NPA has continued to carry out killings, raids, kidnappings, acts of extortion, and other forms of violence primarily directed against Philippine security forces. In May 2013, the Armed Forces of the Philippines reported that from 2011 through the first quarter of 2013, 383 people – including 158 civilians – were killed in encounters between CPP/NPA and government forces.

Despite a ceasefire with the Government of the Philippines in December 2014, CPP/NPA continued to carry out attacks. During the first few months of 2015, the CPP/NPA attacked a Dole plantation, killed several soldiers and a policeman in an attempt to seize a police station in Mati City, and ambushed and killed several Philippine soldiers in Kalinga and Compostela Valley.

In 2016, the group was responsible for a number of clashes and attacks against government forces, police, and businesses. In August, multinational banana company Dole-Stanfilco closed its operation in Barobo due to escalating attacks by suspected CPP/NPA members.

Throughout 2016, several attempts were made to establish a ceasefire and peace deal between the CPP/NPA and the Armed Forces of the Philippines. Reported violations from both sides, however, including reports of CPP/NPA's continued recruitment in the Philippines, have stalled any peace efforts. In November, CPP/NPA announced it would not sign a deal until the government formally broke ties with the United States and resisted foreign intervention from other nations, including China and Russia.

Strength: The Philippine government estimates the group has approximately 4,000 members. CPP/NPA also retains a significant amount of support from communities in rural areas of the Philippines.

Location/Area of Operation: The Philippines, including Rural Luzon, Visayas, and parts of northern and eastern Mindanao. There are also CPP/NPA cells in Manila and other metropolitan centers.

Funding and External Aid: The CPP/NPA raises funds through extortion and theft.

CONTINUITY IRISH REPUBLICAN ARMY

aka Continuity Army Council; Continuity IRA; Republican Sinn Fein

Description: Designated as a Foreign Terrorist Organization on July 13, 2004, the Continuity Irish Republican Army (CIRA) is a terrorist splinter group that became operational in 1986 as the clandestine armed wing of Republican Sinn Fein following its split from Sinn Fein. "Continuity" refers to the group's belief that it is carrying on the original goal of the Irish Republican Army (IRA), to force the British out of Northern Ireland. CIRA cooperates with the larger Real IRA (RIRA). In 2012, CIRA released a statement claiming new leadership, after the

previous leadership was ousted over allegations it was acting to the detriment of the organization.

Activities: CIRA has been active in Belfast and the border areas of Northern Ireland, where it has carried out bombings, assassinations, kidnappings, hijackings, extortion operations, and robberies. On occasion, it has provided advance warning to police of its attacks. Targets have included the British military, Northern Ireland security forces, and Loyalist paramilitary groups. CIRA did not join the Provisional IRA in the September 2005 decommissioning and remains capable of effective, if sporadic, terrorist attacks.

In January 2013, the group claimed responsibility for firing shots at police officers in Drumbeg, Craigavon County, Northern Ireland. In March 2014, CIRA claimed an attempted bomb attack on the home and vehicle of a Police Service of Northern Ireland (PSNI) officer. In July 2015, PSNI officers narrowly escaped harm when an explosive detonated as police were investigating another concealed device that they later described as an "elaborate trap." In February 2016, CIRA claimed responsibility for a shooting at a boxing event at the Regency Hotel in Dublin that left one dead. Dublin police said the incident was related to a feud between criminal gangs.

Strength: Membership is small, with possibly fewer than 50. Police counterterrorism operations have reduced the group's strength.

Location/Area of Operation: Northern Ireland and the Republic of Ireland

Funding and External Aid: CIRA supports its activities through criminal activities, including smuggling.

GAMA'A AL-ISLAMIYYA

aka al-Gama'at; Egyptian al-Gama'at al-Islamiyya; GI; Islamic Gama'at; IG; Islamic Group

Description: Gama'a al-Islamiyya (IG) was designated as a Foreign Terrorist Organization on October 8, 1997. Formed in the 1970s, IG was once Egypt's largest terrorist group. In 2011, it formed the Building and Development political party that competed in the 2011 parliamentary elections and won 13 seats. Egypt-based members of IG released from prison prior to the 2011 revolution have renounced terrorism, although some members located overseas have worked with or joined al-Qa'ida (AQ). The external wing, composed mainly of exiled members in several countries, maintained that its primary goal was to replace the Egyptian government with an Islamist state. IG's "spiritual" leader, the "blind Sheikh," Omar Abd al-Rahman, is serving a life sentence in a U.S. prison for his involvement in the 1993 World Trade Center bombing. Supporters of Abd al-Rahman have called for reprisal attacks in the event of his death in prison.

Activities: In the 1990s, IG conducted armed attacks against Egyptian security, other government officials, and Coptic Christians. IG claimed responsibility for the June 1995 attempted assassination of Egyptian President Hosni Mubarak in Addis Ababa, Ethiopia. The group also launched attacks on tourists in Egypt, most notably the 1997 Luxor attack. In 1999,

part of the group publicly renounced violence. IG is not known to have committed a terrorist attack in recent years; the group remained dormant in 2016.

Strength: At its peak, IG likely commanded several thousand core members and a similar number of supporters. Security clampdowns following the 1997 attack in Luxor and the 1999 cease-fire, along with post-September 11 security measures and defections to AQ, have likely resulted in a substantial decrease in what is left of the group.

Location/Area of Operation: Unknown

Funding and External Aid: Unknown

HAMAS

aka the Islamic Resistance Movement; Harakat al-Muqawama al-Islamiya; Izz al-Din al Qassam Battalions; Izz al-Din al Qassam Brigades; Izz al-Din al Qassam Forces; Students of Ayyash; Student of the Engineer; Yahya Ayyash Units; Izz al-Din al-Qassim Brigades; Izz al-Din al-Qassim Forces; Izz al-Din al-Qassim Battalions

Description: Designated as a Foreign Terrorist Organization on October 8, 1997, Hamas was established in 1987 at the onset of the first Palestinian uprising, or Intifada, as an outgrowth of the Palestinian branch of the Muslim Brotherhood. The armed element, the Izz al-Din al-Qassam Brigades, has conducted anti-Israeli attacks, including suicide bombings against civilian targets inside Israel. Hamas also manages a broad, mostly Gaza-based, network of "Dawa" or ministry activities that include charities, schools, clinics, youth camps, fundraising, and political activities. After winning Palestinian Legislative Council elections in January 2006, Hamas gained control of significant Palestinian Authority (PA) ministries in Gaza, including the Ministry of Interior. As of 2016, the group retained control of Gaza.

Activities: Prior to 2005, Hamas conducted numerous anti-Israeli attacks, including suicide bombings, rocket launches, improvised explosive device (IED) attacks, and shootings. U.S. citizens have died and been injured in the group's attacks. In June 2007, after Hamas took control of Gaza from the PA and Fatah, the Gaza borders were closed and Hamas increased its use of tunnels to smuggle weapons into Gaza via the Sinai and maritime routes. Hamas has since focused on solidifying its control of Gaza, including hardening its defenses, building weapons caches, tightening security, and conducting limited operations against Israeli military forces.

Hamas fought a 23-day war with Israel from late December 2008 to January 2009. From November 14-21, 2012, Hamas fought another war with Israel during which it claims to have launched more than 1,400 rockets into Israel. Despite the Egypt-mediated ceasefire between Israel and Hamas in 2012, operatives from Hamas and Palestine Islamic Jihad (PIJ) coordinated and carried out a November bus bombing in Tel Aviv that wounded 29 people. On July 8, 2014, Israel launched Operation Protective Edge in Gaza with the intent of preventing rocket fire into the country; rocket fire had increased following Israeli military operations after Hamas kidnapped and murdered three Israeli teenagers in June 2014, including 16-year-old U.S.-Israeli citizen Naftali Fraenkel. In March 2015, Amnesty International released a report in which it

accused Hamas of committing war crimes for launching rockets and mortars into civilian areas in Israel during Operation Protective Edge. In May 2015, Amnesty International published another report declaring Hamas's abduction, torture, and killing of Palestinians during the 2014 Gaza war as further evidence the group had committed war crimes.

In 2016, Hamas continued striking Israel. In April, a Hamas member carried out a suicide attack on a bus in Jerusalem, killing 20. The attack came just two months after Hamas released a music video on its al-Aqsa TV and several social media sites encouraging suicide bombings of Israeli buses. In October, Israeli authorities arrested seven members of a Hamas cell based in the West Bank that was plotting shooting and kidnapping attacks. The group was also held responsible for several rocket attacks launched from Gaza, including a July strike in Sderot that hit a kindergarten and damaged several neighboring buildings.

Throughout 2016, Hamas cooperated with ISIL-Sinai Province, providing its members with funding, training, and organizational support.

Strength: Several thousand Gaza-based operatives.

Location/Area of Operation: Since 2007, Hamas has controlled Gaza and also has a presence in the West Bank. The group retains leaders and facilitators that conduct political, fundraising, and arms-smuggling activities throughout the region. Hamas also has a presence in the Palestinian refugee camps in Lebanon. The group's current leader Khaled Meshaal ruled from exile in Qatar in 2016.

Funding and External Aid: Historically, Hamas has received funding, weapons, and training from Iran. The group also raises funds in the Gulf countries and receives donations from Palestinian expatriates around the world. Hamas also receives donations from its charity organizations. Hamas' supply lines have suffered since the crackdown on smuggling tunnels in the Sinai Peninsula by the Egyptian military.

HAQQANI NETWORK

aka HQN

Description: Designated as a Foreign Terrorist Organization on September 19, 2012, the Haqqani Network (HQN) was formed in the late 1970s, around the time of the then-Soviet Union's invasion of Afghanistan. HQN's founder Jalaluddin Haqqani established a relationship with Usama bin Laden in the mid-1980s, and joined the Taliban in 1995. After the fall of the Taliban in Afghanistan in 2001, Jalaluddin retreated to Pakistan where, under the leadership of Jalaluddin's son Sirajuddin Haqqani, the group continued to direct and conduct terrorist activity in Afghanistan. In July 2015, Sirajuddin Haqqani was appointed a Deputy leader of the Taliban.

Activities: HQN has planned and carried out a number of significant kidnappings and attacks against U.S. and Coalition Forces in Afghanistan, the Afghan government, and civilian targets. HQN's most notorious attacks include the June 2011 attack on the Intercontinental Hotel in Kabul, which killed 11 civilians and two Afghan policemen; a September 2011 truck bombing in

Wardak Province, Afghanistan, which wounded 77 U.S. soldiers; the September 2011 19-hour attack on the U.S. Embassy and International Security Assistance Force headquarters in Kabul, which killed 16 Afghans, including six children; a June 2012 suicide bomb attack against Forward Operating Base Salerno, which killed two U.S. soldiers and wounded more than 100; and a 12-hour siege of the Spozhmai Hotel in Kabul in June 2012, which resulted in the death of at least 18 Afghans, including 14 civilians. HQN was also involved in holding U.S. Army Sergeant Bowe Bergdahl, who was kidnapped in 2009 and remained in captivity until his May 2014 release.

HQN's attacks continued throughout 2016. In January, Afghan officials blamed HQN for a suicide attack in Kabul, which killed seven journalists affiliated with a television station that had been critical of the Taliban. In April, HQN was blamed for an attack in Kabul against a government security agency tasked with providing protection to senior government officials, killing 64 people and injuring more than 300 others in what was the deadliest attack in Kabul in 15 years. Afghan officials also blamed HQN for being involved in a June double suicide attack outside of Kabul against Afghan police cadets and first responders; 30 people were killed. In addition to these and other suspected HQN attacks, Afghan police disrupted multiple HQN plots and many suicide operations in Kabul before they could be carried out.

Strength: HQN is believed to have several hundred core members, but it is estimated that the organization is able to draw upon a pool of upwards of 10,000 fighters. HQN is integrated into – and cooperates closely with – the larger Afghan Taliban and draws strength through cooperation with other terrorist organizations operating in Afghanistan, including al-Qa'ida and Jaish-e Mohammad.

Location/Area of Operation: HQN is active along the Afghanistan-Pakistan border and across much of southeastern Afghanistan, particularly in Loya Paktia (which consists of Paktia, Paktika, and Khost provinces, and includes parts of Logar and Ghazni), and has repeatedly targeted Kabul in its attacks. The group's leadership has historically maintained a power base around Pakistan's tribal areas.

Funding and External Aid: In addition to the support it receives through its connections to other terrorist organizations, HQN receives much of its funds from donors in Pakistan and the Gulf, as well as through criminal activities such as kidnapping, extortion, smuggling, and other licit and illicit business ventures.

HARAKAT-UL JIHAD ISLAMI

aka HUJI; Movement of Islamic Holy War; Harkat-ul-Jihad-al Islami; Harkat-al-Jihad-ul Islami; Harkat-ul-Jehad-al-Islami; Harakat ul Jihad-e-Islami; Harakat-ul Jihad Islami

Description: Harakat-ul Jihad Islami (HUJI) was designated as a Foreign Terrorist Organization on August 6, 2010. The group was formed in 1980 in Afghanistan to fight against the former Soviet Union. Following the Soviet withdrawal from Afghanistan in 1989, the organization redirected its efforts to India. HUJI seeks the annexation of the state of Jammu and Kashmir and

the expulsion of Coalition Forces from Afghanistan, and has supplied fighters to the Taliban in Afghanistan.

Since 2001, HUJI has refocused its activities on the Afghanistan-Pakistan front and has established several camps in Pakistan. HUJI is mostly composed of Pakistani militants and veterans of the Soviet-Afghan war. In recent years HUJI has experienced a number of internal splits and a portion of the group has aligned with al-Qa'ida (AQ), including training its members in AQ training camps. Mohammad Ilyas Kashmiri, one of HUJI's top leaders (who also served as an AQ military commander and strategist), died on June 3, 2011.

Activities: HUJI has been involved in a number of terrorist attacks. HUJI claimed responsibility for the September 7, 2011 bombing of the New Delhi High Court, which left at least 11 dead and an estimated 76 wounded. The group sent an email to the press stating that the bomb was intended to force India to repeal a death sentence of a HUJI member. In 2015, it was discovered that HUJI had set up bases at Silchar's Assam University with the help of a group of professors and students. HUJI did not publicly claim any attacks in 2016.

Strength: HUJI has an estimated strength of several hundred members.

Location/Area of Operation: HUJI's area of operation extends throughout South Asia, with its terrorist operations focused primarily in Afghanistan, India, and Pakistan.

Funding and External Aid: Unknown

HARAKAT UL-JIHAD-I-ISLAMI/BANGLADESH

aka HUJI-B; Harakat ul Jihad e Islami Bangladesh; Harkatul Jihad al Islam; Harkatul Jihad; Harakat ul Jihad al Islami; Harkat ul Jihad al Islami; Harkat-ul-Jehad-al-Islami; Harakat ul Jihad Islami Bangladesh; Islami Dawat-e-Kafela; IDEK

Description: Designated as a Foreign Terrorist Organization on March 5, 2008, Harakat ul-Jihad-i-Islami/Bangladesh (HUJI-B) was formed in April 1992 by a group of former Bangladeshi Afghan veterans wanting to establish Islamist rule in Bangladesh. In October 2005, Bangladeshi authorities banned the group. The leaders of HUJI-B signed the February 1998 *fatwa* sponsored by Usama bin Laden that declared U.S. civilians legitimate targets.

HUJI-B has connections to Pakistani terrorist groups advocating similar objectives, including HUJI, al-Qa'ida, and Lashkar e-Tayyiba (LeT).

Activities: In December 2008, three HUJI-B members were convicted for the May 2004 grenade attack that wounded the British High Commissioner in Sylhet, Bangladesh. In 2011, Bangladeshi authorities formally charged multiple suspects, including HUJI-B leader Mufti Abdul Hannan, with the killing of former Finance Minister Shah AMS Kibria of the Awami League in a grenade attack on January 27, 2005. Although HUJI-B committed no known attacks in 2013, in March 2013, police in Dhaka arrested a group of militants which included HUJI-B members. The group was preparing attacks on public gatherings and prominent individuals;

bombs, bomb-making material, and counterfeit currency were found at the time of arrest. In 2014, HUJI-B continued its operations; reports at the time suggested that some HUJI-B members may have traveled to Pakistan to receive military training from LeT. There were no known terrorist acts carried out by HUJI-B in 2015 or 2016.

In December 2016, an elite police force in Bangladesh raided a HUJI-B den, arresting four of the group's members and foiling a HUJI-B plot to attack law enforcement officers to loot arms and ammunition. Law enforcement officials confiscated 18 bombs, electrical devices, and sharp weapons from the HUJI-B hideout.

Strength: HUJI-B leaders claim that up to 400 of its members are Afghan war veterans; its total membership is unknown.

Location/Area of Operation: HUJI-B operates primarily in Bangladesh and India; the group trains and has a network of madrassas in Bangladesh.

Funding and External Aid: HUJI-B funding comes from a variety of sources. Several international non-governmental organizations may have funneled money to HUJI-B and other Bangladeshi terrorist groups.

HARAKAT UL-MUJAHIDEEN

aka HUM; Harakat ul-Ansar; HUA; Jamiat ul-Ansar; JUA; al-Faran; al-Hadid; al-Hadith; Harakat ul-Mujahidin; Ansar ul Ummah

Description: Designated as a Foreign Terrorist Organization on October 8, 1997, Harakat ul-Mujahideen (HUM) seeks the annexation of the state of Jammu and Kashmir and the expulsion of Coalition Forces from Afghanistan. In January 2005, HUM's long-time leader Fazlur Rehman Khalil stepped down and was replaced by Dr. Badr Munir. HUM operated terrorist training camps in eastern Afghanistan until Coalition air strikes destroyed them in 2001. In 2003, HUM began using the name Jamiat ul-Ansar; Pakistan banned the group in November 2003.

Activities: HUM has conducted a number of operations against Indian troops and civilian targets in the state of Jammu and Kashmir. It is linked to the Kashmiri terrorist group al-Faran, which kidnapped, and later killed, five Western tourists in the state of Jammu and Kashmir in July 1995. HUM was also responsible for the hijacking of an Indian airliner in December 1999. The attack led to the release of Masood Azhar, an important leader of the former Harakat ul-Ansar (HUA), who was imprisoned by India in 1994; after his release, Azhar founded Jaish-e-Mohammed (JeM). India also released former HUA member Ahmed Omar Sheik as a result of the hijacking. Sheik was later convicted of the 2002 abduction and murder of U.S. journalist Daniel Pearl.

The group has conducted numerous attacks targeting Indian interests including the late December 2015 strikes in Handwor and Poonch, which resulted in the deaths of five Indian army personnel. In January 2016, Indian security forces arrested five HUM militants planning assaults

on VIPs and security forces. Four of the militants arrested were involved in grenade-throwing incidents in downtown Srinagar and all five were planning an attack on the Srinagar-Baramulla highway on Republic Day.

Strength: HUM has a few hundred armed supporters. After 2000, however, a significant portion of HUM's membership defected to JeM and only a small number of cadres are reported to be active.

Location/Area of Operation: HUM conducts operations primarily in the state of Jammu and Kashmir and Afghanistan. It operates from Muzaffarabad in Azad Jammu and Kashmir, as well as several cities in Pakistan.

Funding and External Aid: HUM collects donations from wealthy and grassroots donors in Pakistan.

HIZBALLAH

aka the Party of God; Islamic Jihad; Islamic Jihad Organization; Revolutionary Justice Organization; Organization of the Oppressed on Earth; Islamic Jihad for the Liberation of Palestine; Organization of Right Against Wrong; Ansar Allah; Followers of the Prophet Muhammed

Description: Hizballah was designated as a Foreign Terrorist Organization on October 8, 1997. Formed in 1982 following the Israeli invasion of Lebanon, the Lebanon-based radical Shia group takes its ideological inspiration from the Iranian revolution and the teachings of the late Ayatollah Khomeini. The group generally follows the religious guidance of the Iranian Supreme Leader, which in 2016 was Ali Khamenei. Hizballah is closely allied with Iran and the two often work together on shared initiatives, although Hizballah also acts independently. Hizballah shares a close relationship with Syria, and like Iran, provides assistance – including fighters – to Syrian regime forces in the Syrian conflict.

Activities: Hizballah is responsible for multiple large scale terrorist attacks, including the 1983 suicide truck bombings of the U.S. Embassy and U.S. Marine barracks in Beirut; the 1984 attack on the U.S. Embassy annex in Beirut; and the 1985 hijacking of TWA flight 847, during which U.S. Navy diver Robert Stethem was murdered.

Elements of the group were responsible for the kidnapping, detention, and murder of U.S. citizens and other Westerners in Lebanon in the 1980s. Hizballah was implicated, along with Iran, in the 1992 attacks on the Israeli Embassy in Argentina and in the 1994 bombing of the Argentine-Israeli Mutual Association in Buenos Aires. In 2000, Hizballah operatives captured three Israeli soldiers in the Shebaa Farms area and, separately, kidnapped an Israeli non-combatant in Dubai. The non-combatant survived, but on November 1, 2001, Israeli Army Rabbi Israel Weiss pronounced the soldiers dead. The surviving non-combatant and the bodies of the Israeli soldiers were returned to Israel in a prisoner exchange with Hizballah in 2004.

Hizballah is believed to have carried out two attacks against UN Interim Force in Lebanon peacekeepers, an attack in late July 2011 that wounded six French citizens and a second attack, days later, which injured three French soldiers. Also in 2011, four Hizballah members were indicted by the UN-based Special Tribunal for Lebanon, an international tribunal investigating the 2005 assassination of Lebanese Prime Minister Rafik Hariri. A fifth Hizballah member, Hassan Habib Merhi, was indicted in October 2013.

In January 2012, Thai police detained Hizballah operative Hussein Atris on immigration charges as he was attempting to depart Thailand. Atris was convicted of possessing bomb-making materials by a Thai court in September 2013 and sentenced to two years and eight months in prison. He was released in September 2014 and is believed to reside in Lebanon. In July 2012, a suspected Hizballah operative was detained by Cypriot authorities for allegedly helping plan an attack against Israeli tourists on the island. On March 21, 2013, a Cyprus court found the operative guilty of charges based on his surveillance activities of Israeli tourists

Hizballah was also responsible for the July 2012 attack on a passenger bus carrying 42 Israeli tourists at the Sarafovo Airport in Bulgaria, near the city of Burgas. The explosion killed five Israelis and one Bulgarian, and injured 32 others.

In May 2013, Hizballah publicly admitted to playing a significant role in the ongoing conflict in Syria, rallying support for Syrian President Bashar al-Assad.

In May 2015, Cypriot authorities arrested Hizballah member and Lebanese-Canadian national Hussein Bassam Abdallah after finding 8.2 tons of liquid ammonium nitrate in the basement of a residence in Larnaca. Abdallah was charged by the Republic of Cyprus on five offenses, including participation in a terrorist organization and providing support to a terrorist organization. On June 29, 2015, Abdallah was sentenced to six years in prison; he is currently serving his sentence in Larnaca, Cyprus.

Hizballah's support for Syria's al-Assad regime continued into 2016, when Hizballah leader Hassan Nasrallah said he planned to send extra Hizballah militants to fight alongside Syrian government forces in the besieged city of Aleppo. There are reportedly about 7,000 Hizballah fighters in Syria; several senior Hizballah military commanders and hundreds of fighters have died in the Syrian conflict.

Strength: Tens of thousands of supporters and members worldwide.

Location/Area of Operation: Hizballah is based in the southern suburbs of Beirut, the Bekaa Valley, and southern Lebanon. As evidenced by Hizballah's activities during the course of 2012 and 2013, the group is capable of operating around the world. Since 2013, Hizballah fighters have assisted Assad regime forces in many areas across Syria.

Funding and External Aid: Iran continues to provide Hizballah with training, weapons, and explosives, as well as political, diplomatic, monetary, and organizational aid; Syria has furnished training, weapons, and diplomatic and political support. Hizballah also receives funding from private donations and profits from legal and illegal businesses. Hizballah receives financial

support from Lebanese Shia communities in Africa, Asia, Europe, North America, and South America. Hizballah supporters are often engaged in a range of licit and illicit activities that benefit the group financially. These activities include smuggling contraband goods, passport falsification, trafficking in narcotics, money laundering, and credit card, immigration, and bank fraud.

INDIAN MUJAHEDEEN

aka Indian Mujahidin; Islamic Security Force-Indian Mujahideen (ISF-IM)

Description: The Indian Mujahedeen (IM) was designated as a Foreign Terrorist Organization on September 19, 2011. The India-based terrorist group is responsible for dozens of bomb attacks throughout India since 2005, and has caused the deaths of hundreds of civilians. IM maintains ties to other terrorist entities including Pakistan-based Lashkar e-Tayyiba, Jaish-e-Mohammed, and Harakat ul-Jihad Islami. In 2016, it was reported that the IM was also cooperating with ISIS. IM's stated goal is to carry out terrorist actions against Indians for their oppression of Muslims. IM has also expanded its area of operations into Nepal, which is now the biggest hub for IM operatives.

Activities: IM is known for carrying out multiple coordinated bombings in crowded areas against economic and civilian targets to maximize terror and casualties. In 2008, for example, IM was responsible for 16 synchronized bomb blasts in crowded urban centers. That same year, IM was also responsible for an attack in Delhi that killed 30 people and an attack at a local hospital in Ahmedabad that killed 38 and injured more than 100. In 2010, IM bombed a popular German bakery in Pune, India, frequented by tourists; 17 people were killed and more than 60 people were injured in the attack.

In January 2015, the arrest of three IM militants linked the group to the December 2014 low-intensity blast near a restaurant in Bangalore that killed one woman and injured three others. The arrest also uncovered that the group planned to carry out attacks on Republic Day and had provided explosives to carry out attacks in other parts of the country. In May 2015, IM fugitive commander Muhammad 'Bada' Sajid, one of the perpetrators of the 2008 bombings, died fighting with ISIS forces in Syria.

In 2016, IM was increasingly linked to ISIS. In May, for example, six IM operatives were identified in an ISIS propaganda video threatening attacks on India. A month later, it was reported that an IM cell linked to ISIS was plotting attacks on multiple targets in Hyderabad and had purchased chemicals to make high-grade explosives for the planned operations. In May, the Indian National Intelligence Agency arrested senior IM member Abdul Wahid Siddibapa, who was connected to several IM plots to attack India and known as a recruiter for the organization. He was linked to the 2006 Mumbai blasts, the 2008 attack in Delhi, and a 2010 attack in Bangalore.

Strength: Unknown

Location/Area of Operation: India, Nepal, and Pakistan

Funding and External Aid: Suspected to obtain funding and support from other terrorist organizations, as well as from sources in Pakistan and the Middle East.

ISLAMIC JIHAD UNION

aka Islamic Jihad Group; Islomiy Jihod Ittihodi; al-Djihad al-Islami; Dzhamaat Modzhakhedov; Islamic Jihad Group of Uzbekistan; Jamiat al-Jihad al-Islami; Jamiyat; The Jamaat Mojahedin; The Kazakh Jama'at; The Libyan Society

Description: The Islamic Jihad Union (IJU) is a Sunni violent extremist organization that was designated as a Foreign Terrorist Organization on June 17, 2005. The group splintered from the Islamic Movement of Uzbekistan in the early 2000s and has been based in Pakistan's Federally Administered Tribal Areas. Najmiddin Jalolov founded the organization as the Islamic Jihad Group in March 2002, but the group was renamed Islamic Jihad Union in May 2005. Although IJU remains committed to overthrowing the Government of Uzbekistan, it also has a global agenda, demonstrated by its attacks on international forces in Afghanistan.

Activities: The IJU primarily operates against international forces in Afghanistan and remains a threat to Central Asia. IJU claimed responsibility for attacks in March and April 2004 in Uzbekistan, which targeted police at several roadway checkpoints and at a popular bazaar, killing approximately 47 people, including 33 IJU members, some of whom were suicide bombers. In July 2004, the group carried out near-simultaneous suicide bombings of the Uzbek Prosecutor General's office and the U.S. and Israeli Embassies in Tashkent. In September 2007, German authorities disrupted an IJU plot to attack U.S. military bases and personnel by detaining and prosecuting three IJU operatives, including two German citizens. Foreign terrorist fighters from Germany, Turkey, and elsewhere in Europe continued to travel to the Afghanistan-Pakistan border area to join IJU to fight against U.S. and Coalition Forces. In 2013, two IJU videos showed attacks against an American military base in Afghanistan and an IJU sniper shooting an Afghan soldier at a base in Afghanistan.

According to statements and photos released by the group, IJU participated in the April-September 2015 Taliban siege of Kunduz city. At least 13 police were killed in the attacks and, according to the United Nations, some 848 civilians were killed or wounded. In June 2015, IJU claimed it carried out multiple attacks in eastern Afghanistan with al-Qa'ida and the Taliban, including an attack on an Afghan military base that killed "many apostate soldiers." In July 2015, the IJU stated it had expanded its base of operations and was engaged in activity in southern Afghanistan (in the provinces of Paktia, Paktika, and Nangarhar) and in Badakhshan and Kunduz. On August 20, IJU pledged allegiance to the then newly-appointed Taliban leader Mullah Mansour.

IJU continued its activity in 2016. In February, the group released a video promoting terrorism that showed a group of fighters stationed in the Levara region of North Waziristan, Pakistan.

Strength: 100 to 200 members

Location/Area of Operation: Afghanistan and Pakistan; IJU members are also scattered throughout Central Asia and Europe.

Funding and External Aid: Unknown

ISLAMIC MOVEMENT OF UZBEKISTAN

aka IMU

Description: Designated as a Foreign Terrorist Organization on September 25, 2000, the Islamic Movement of Uzbekistan (IMU) seeks to overthrow the Uzbek government and establish an Islamic state. For most of the past decade, however, the group has recruited members from other Central Asian states and Europe. Despite its objective to set up an Islamic state in Uzbekistan, the group operates primarily along the Afghanistan-Pakistan border and in northern Afghanistan, where it fights against international forces. Several IMU members are also suspected of having traveled to Syria to fight with violent extremist groups.

The IMU has had a decade-long relationship with al-Qa'ida (AQ), the Taliban, and Tehrik-e Taliban Pakistan (TTP). Top IMU leaders have integrated themselves into the Taliban's shadow government in Afghanistan's northern provinces.

In August 2015, IMU leader Usman Ghazi publicly announced the group's shift of allegiance to ISIS. Numerous IMU members, including possibly Ghazi himself, were subsequently reported to have been killed as a result of hostilities between ISIS and its former Taliban allies.

Activities: Since the beginning of Operation Enduring Freedom, the IMU has predominantly been focused on attacks against international forces in Afghanistan. In late 2009, NATO forces reported an increase in IMU-affiliated foreign terrorist fighters in Afghanistan. In 2010, IMU claimed responsibility for the September 19 ambush that killed 25 Tajik troops in Tajikistan. On October 15, 2011, IMU claimed responsibility for a suicide assault on a U.S.-led Provincial Reconstruction Team in Panjshir Province, Afghanistan, that killed two Afghan civilians and wounded two security guards. On June 8, 2014, IMU claimed responsibility for participating in an attack on Karachi's international airport that resulted in the deaths of at least 39 people.

Throughout 2015, the IMU actively threatened the Afghan government, specifically in the northern part of the country. In April, the group released a video showing IMU members beheading an individual they claimed to be an Afghan soldier and threatened to behead Hazara (a historically persecuted ethnic group in Afghanistan that follows Shia Islam) hostages, in supposed retaliation for the Afghan security forces capture of several female members of IMU. Also in 2015, Uzbek refugee Fazliddin Kurbanov was convicted and sentenced by a U.S. federal court to 25 years in prison for planning a bomb attack in Idaho. Kurbanov had been in contact with members of IMU online, seeking advice on how to make explosives and formulate attack plans. He discussed attacking U.S. military bases and the U.S. Military Academy at West Point. In late 2016, a dual Dutch-Turkish citizen who served as an IMU fundraiser and facilitator was convicted and sentenced in the United States for providing material support to the IMU and

acting on the group's behalf in Afghanistan, France, Jordan, the Netherlands, Pakistan, and elsewhere, between 2006 and 2008.

In June 2016, a faction of IMU announced its continued commitment to the Taliban and AQ, marking a split with its leader Ghazi and the rest of the group, which announced its loyalty to ISIS in 2015 and has since cooperated with Islamic State's Khorasan Province.

Strength: 200 to 300 members

Location/Area of Operation: Central Asia, Iran, Afghanistan, Pakistan

Funding and External Aid: The IMU receives support from a large Uzbek diaspora, terrorist organizations, and donors from Europe, Central and South Asia, and the Middle East.

ISLAMIC STATE OF IRAQ AND SYRIA (ISIS)

aka al-Qa'ida in Iraq; al-Qa'ida Group of Jihad in Iraq; al-Qa'ida Group of Jihad in the Land of the Two Rivers; al-Qa'ida in Mesopotamia; al-Qa'ida in the Land of the Two Rivers; al-Qa'ida of Jihad in Iraq; al-Qa'ida of Jihad Organization in the Land of the Two Rivers; al-Qa'ida of the Jihad in the Land of the Two Rivers; al-Tawhid; Jam'at al-Tawhid Wa'al-Jihad; Tanzeem Qa'idat al Jihad/Bilad al Raafidaini; Tanzim Qa'idat al-Jihad fi Bilad al-Rafidayn; The Monotheism and Jihad Group; The Organization Base of Jihad/Country of the Two Rivers; The Organization Base of Jihad/Mesopotamia; The Organization of al-Jihad's Base in Iraq; The Organization of al-Jihad's Base in the Land of the Two Rivers; The Organization of al-Jihad's Base of Operations in Iraq; The Organization of al-Jihad's Base of Operations in the Land of the Two Rivers; The Organization of Jihad's Base in the Country of the Two Rivers; al-Zarqawi Network; Islamic State in Iraq; Islamic State in Iraq and al-Sham; Islamic State in Iraq and Syria; ad-Dawla al-Islamiyya fi al-'Iraq wa-sh-Sham; Daesh; Dawla al Islamiya; Al-Furqan Establishment for Media Production; Islamic State; ISIL; ISIS

Description: Al-Qa'ida in Iraq (AQI) was designated as a Foreign Terrorist Organization on December 17, 2004. In the 1990s, Jordanian militant Abu Mus'ab al-Zarqawi organized a terrorist group called al-Tawhid wal-Jihad to oppose the presence of U.S. and Western military forces in the Middle East and the West's support for, and the existence of, Israel. In late 2004, he joined al-Qa'ida (AQ) and pledged allegiance to Usama bin Laden, at which point al-Tawhid wal-Jihad became known as al-Qa'ida in Iraq (AQI). Zarqawi traveled to Iraq during Operation Iraqi Freedom and led his group against U.S. and Coalition Forces until his death in June 2006.

In October 2006, AQI publicly re-named itself the Islamic State in Iraq and in 2013 it adopted the moniker ISIS to express its regional ambitions as it expanded its operations to include the Syrian conflict. On May 15, 2014, the Department of State amended the Foreign Terrorist Organization designation of AQI to add several aliases, including ISIS. ISIS is led by Abu Bakr al-Baghdadi, aka Ibrahim Awwad Ibrahim Ali al-Badri, aka Abu Du'a. In June 2014, ISIS leader al-Baghdadi declared an Islamic caliphate.

Activities: As AQI, ISIS conducted numerous high profile attacks, including improvised explosive device attacks against U.S. military personnel and Iraqi infrastructure, videotaped beheadings of U.S. citizens, suicide bombings against both military and civilian targets, and rocket attacks. ISIS perpetrates suicide and mass casualty bombings in Iraq using foreign and Iraqi operatives. In 2014, ISIS was responsible for the majority of deaths of the more than 12,000 Iraqi civilians killed that year. ISIS was heavily involved in the fighting in Syria during 2014, including against other militant opposition groups, and participated in a number of kidnapping incidents against civilians, including aid workers and reporters.

ISIS remained active throughout 2015 and 2016, conducting several large-scale attacks in Iraq and Syria and across the globe. In February 2016, a series of ISIS suicide and car bombs killed at least 129 people in Homs and Damascus, Syria. In March, ISIS carried out a suicide attack at a crowded park in Iskandariya, Iraq at the end of a football match, killing approximately 29 and wounding more than 60 others. Also in March, at least 60 people were killed in an attack claimed by ISIS in Hilla, Iraq when an explosives-laden fuel tanker ran into an Iraqi security checkpoint.

In early May 2016, two suicide car bombs claimed by ISIS killed 32 and wounded another 75 in Samawa, in southern Iraq. In mid-May, ISIS conducted a series of attacks in and around Baghdad, including suicide bombings and a car bombing at a crowded market in Sadr City that killed at least 88 people – most of them women and children. In late May, ISIS killed 12 people when the group attacked a Real Madrid Supporters' Club in Iraq where people had gathered to watch the Champions League final match. In July, ISIS claimed a car bombing at a popular shopping center in Baghdad that killed nearly 300 people, making it the single deadliest bombing in Iraq's capital city since 2003. In October, it was revealed that ISIS was using hundreds to thousands of Iraqi civilians as human shields. The group reportedly rounded up and massacred 284 men and boys before dumping their bodies in a mass grave in northern Mosul, Iraq.

The group since at least 2015 has also been responsible for integrating local children and ones brought by foreign terrorist fighters into its forces and using them as executioners and suicide attackers. ISIS has systematically prepared child soldiers in Iraq and Syria using its education and religious infrastructure as part of its training and recruitment of members.

In Iraq and Syria, ISIS's use of military equipment captured in the course of fighting gave the group greater capabilities in line with a more conventional military force, including the reported use of eastern bloc tanks, artillery, and self-developed unmanned aerial drones. According to estimates from the UN Assistance Mission for Iraq, acts of terrorism, violence, and armed conflict killed more than 6,000 civilians and injured more than 11,300 in 2016.

ISIS continued to commit atrocities against groups in areas under its control, including Yezidis, Christians, Shia Muslims, Sunni Muslims, Kurds, and other groups. In 2015 and 2016, ISIS abducted, systematically raped, and abused thousands of women and children, some as young as eight years of age. Women and children were sold and enslaved, distributed to ISIS fighters as spoils of war, forced into marriage and domestic servitude, or subjected to physical and sexual abuse. ISIS established "markets" where women and children were sold with price tags attached and has published a list of rules on how to treat female slaves once captured. (For further

information, refer to *the Trafficking in Persons Report 2016*, http://www.state.gov/j/tip/rls/tiprpt/2015/index.htm.)

ISIS also directs, enables, and inspires individuals to conduct attacks and act on behalf of the group around the world, including in the United States and Europe. In November 2015, ISIS carried out a series of coordinated attacks in Paris, France, including at a rock concert at the Bataclan concert hall, killing approximately 130 people and injuring more than 350 others; 23-year-old U.S. citizen Nohemi Gonzalez was among the dead. In March 2016, ISIS directed two simultaneous attacks in Brussels, Belgium – one at the Zaventem Airport and the other at a metro station. The attacks killed 32 people, including four U.S. citizens, and injured more than 250 people. In June 2016, a gunman who pledged allegiance to ISIS killed 49 individuals and injured 53 others at the Pulse nightclub in Orlando, Florida. In July 2016, ISIS claimed an attack in which a cargo truck drove into a crowd in Nice, France, during Bastille Day celebrations, resulting in 86 deaths, including three U.S. citizens. In December 2016, ISIS claimed responsibility for a truck attack on a crowded Christmas market in Berlin, Germany that killed 12 people and injured 48 others.

Although ISIS has not claimed responsibility, it was likely responsible for several attacks involving chemical-filled munitions in Iraq and Syria during 2016. The United States has been proactively working with our allies to dismantle this chemical weapons capability, as well as deny ISIS and other non-state actors access to chemical, biological, radiological, and nuclear (CBRN)-useable materials and expertise through interdictions and strengthening the ability of regional governments to detect, disrupt, and respond effectively to suspected CBRN activity.

Strength: Estimates suggest between 12,000 and 15,000 members.

Location/Area of Operation: ISIS's operations are predominately in Iraq and Syria, but 2015 and 2016 witnessed the continued creation of external ISIS branches and networks. In 2016, several branches of ISIS were designated as Foreign Terrorist Organizations (FTOs) and Specially Designated Global Terrorists (SDGTs): ISIL-Libya as an FTO and SDGT in 2016; ISIS in Yemen as an SDGT in 2016; and ISIS in Saudi Arabia as an SDGT in 2016. Islamic State's Khorasan Province was designated as an FTO and SDGT in 2015. ISIS branches in the Caucasus Province and Algeria were also designated as SDGTs in 2015. In addition, supporters and associates worldwide inspired by the group's ideology may be operating without direction from ISIS central leadership.

Funding and External Aid: ISIS receives most of its funding from a variety of businesses and criminal activities within areas it controls in Iraq and Syria. Criminal activities include robbing banks, smuggling oil, looting and selling antiquities and other goods, as well as extortion, human trafficking, and kidnapping-for-ransom.

ISLAMIC STATE'S KHORASAN PROVINCE

aka ISIL Khorasan; Islamic State's Khorasan Province; ISIS Wilayat Khorasan; ISIL's South Asia Branch; South Asian chapter of ISIL

Description: Islamic State's Khorasan Province (ISIS-K) was designated as a Foreign Terrorist Organization on January 14, 2016. The group is based in Afghanistan, conducts operations in Afghanistan and Pakistan, and is composed primarily of former members of Tehrik-e Taliban Pakistan and the Afghan Taliban. ISIS-K's senior leadership has pledged allegiance to ISIS leader Abu Bakr al-Baghdadi. Since Baghdadi accepted the pledge in late January 2015, ISIS-K has carried out suicide bombings, small arms attacks, and kidnappings in Afghanistan against civilians and Afghan National Security and Defense Forces. The group has also claimed responsibility for attacks on civilians in Pakistan.

It was reported that ISIS-K leader Hafiz Saeed Khan was killed in July 2016. Khan's former deputy and the former Taliban Commander from Logar Province, Abdul Hasib, took over leadership responsibilities for ISIS-K.

Activities: ISIS-K was responsible for several attacks on civilians in Karachi, Pakistan in May 2015. In January 2016, the group claimed it carried out a strike on the Pakistani consulate in Afghanistan, resulting in the deaths of seven Afghan security personnel. In July, the group conducted a bomb attack at a peaceful protest in Kabul, Afghanistan that killed approximately 80 people and wounded another 230. In August, ISIS-K claimed it carried out a shooting and suicide bombing at a hospital in Quetta targeting lawyers, which killed 94. In October, ISIS-K killed 18 worshippers at a shrine in Kabul, and in November, carried out a suicide bombing at a mosque in Kabul, killing at least 30. It also claimed responsibility in November 2016 for a suicide bombing at the Shah Noorani Shrine in Baluchistan province, Pakistan, killing more than 50 people.

Strength: Approximately 1,500 to 2,000

Location/Area of Operation: Afghanistan and Pakistan

Funding and External Aid: ISIS-K receives some funding from ISIS. Other funding sources are unknown.

ISIL-LIBYA

aka Islamic State of Iraq and the Levant-Libya; Islamic State of Iraq and the Levant in Libya; Wilayat Barqa; Wilayat Fezzan; Wilayat Tripolitania; Wilayat Tarablus; Wilayat al-Tarabulus

Description: ISIL-Libya was designated as a Foreign Terrorist Organization on May 20, 2016. In 2014, ISIS leader and SDGT Abu Bakr al-Baghdadi dispatched a group of ISIS operatives from Syria to Libya to establish a branch of the terrorist group. The ISIS operatives set up a base in Darnah and in late November 2014, Baghdadi formally established the ISIL-Libya branch after announcing he had accepted oaths of allegiance from fighters in the country.

Activities: ISIL-Libya poses a significant security threat in the region. Since being established in November 2014, the group has carried out multiple attacks in the country and has threatened to expand ISIS's presence into other countries in Africa. In October 2014, several hundred ISIL-Libya fighters established a presence in the eastern Libya city of Darnah. In January 2015,

ISIL-Libya claimed responsibility for a suicide attack on a luxury hotel in Tripoli that killed eight people, including a U.S. contractor. That same month, ISIL-Libya also killed 16 people in an attack on a Libyan army checkpoint.

In February 2015, ISIL-Libya released a propaganda video showing the murder of 21 Egyptian Coptic Christians who had been kidnapped in Sirte, Libya, in two separate incidents in December 2014 and January 2015. Also in February, ISIL-Libya claimed responsibility for bomb attacks against a petrol station, a police station, and the home of parliamentary speaker Agila Salah in the town of al-Qubbah. The attacks killed at least 40 people and wounded dozens of others.

ISIL-Libya claimed responsibility for a suicide bombing targeting an army checkpoint in Benghazi in March 2015, which killed five soldiers and two civilians, and it attacked a Tripoli prison in an attempt to free detainees in September 2015, killing three security personnel.

Between 2015 and 2016, ISIL-Libya doubled its presence in the country; in early 2016, reports suggested the group counted as many as 6,000 fighters in its ranks. In 2016, ISIL-Libya expanded operations into Libya's oil crescent, launching attacks on some of the country's largest oil installations; ISIL-Libya burned oil tanks, killing dozens and forcing oil fields to shut down operations. The group also conducted attacks on Libya's medical facilities. In March, the group attacked a Sirte hospital and kidnapped 20 medical workers. The group also attacked medical facilities and carried out other attacks in Benghazi and Tripoli. In November, the group was responsible for a car bomb that exploded in Benghazi, killing three.

In December 2016, Libyan forces drove ISIL-Libya from its stronghold and main base in Sirte into the desert areas and neighboring cities.

Strength: In early 2016, ISIL-Libya was reported to have 6,000 members.

Location/Area of Operation: At the end of 2016, ISIL-Libya was no longer in control of any towns in Libya, but its members continued to operate throughout the eastern, southern, and western regions of the country. The group has also carried out attacks in Tripoli and Benghazi.

Funding and External Aid: ISIL-Libya's funding comes from a variety of sources, including criminal activity, such as smuggling and extortion, and external funding. The group also receives support from ISIS.

ISIL SINAI PROVINCE

aka Ansar Bayt al-Maqdis; Ansar Jerusalem; Supporters of Jerusalem; Ansar Bayt al-Maqdes; Ansar Beit al-Maqdis; ISIL Sinai Province; Islamic State-Sinai Province; Islamic State in the Sinai; Jamaat Ansar Beit al-Maqdis; Jamaat Ansar Beit al-Maqdis fi Sinaa; Sinai Province; Supporters of the Holy Place; The State of Sinai; Wilayat Sinai

Description: Originally designated as a Foreign Terrorist Organization on April 9, 2014, Ansar Bayt al-Maqdis (ABM) rose to prominence in 2011 following the uprisings in Egypt. It is responsible for attacks against Israeli and Egyptian government and security elements, and

against tourists in Egypt. In November 2014, ABM officially declared allegiance to the Islamic State of Iraq and Syria (ISIS). In September 2015, the Department of State amended ABM's designation to add the primary name ISIL Sinai Province (ISIL-SP).

Activities: ISIL-SP has claimed responsibility for numerous attacks against Israeli interests, including a July 2012 attack against a Sinai pipeline exporting gas to Israel, an August 2012 rocket strike on the southern Israeli city of Eilat, and a September 2012 attack targeting an Israeli border patrol, which killed one soldier and injured another.

In October 2013, ISIL-SP claimed responsibility for a suicide bombing targeting the South Sinai Security Directorate in el Tor, which killed three people and injured more than 45. In January 2014, ISIL-SP successfully downed an Egyptian military helicopter in a missile attack, killing five soldiers on board. In 2014, the group also claimed responsibility for four attacks involving car bombs and hand grenades in Cairo, which left six people dead and more than 70 wounded.

ISIL-SP has targeted government officials, including the September 2013 attempted assassination of the Egyptian Interior Minister, and the January 2014 assassination of the head of the Interior Minister's technical office. In February 2014, ISIL-SP claimed responsibility for the bombing of a tour bus in the Sinai Peninsula, killing the Egyptian driver and three South Korean tourists; the attack was ISIL-SP's first against foreign tourists.

In October 2014, ISIL-SP claimed a strike on a security checkpoint that killed 33 Egyptian soldiers and wounded 26 others, including civilians. In April 2015, ISIL-SP claimed responsibility for three separate attacks on Egyptian security forces on the same day in Northern Sinai; the strikes killed 12 people, including one civilian. On November 4, ISIL-SP released an audio recording in which it claimed responsibility for the October 31 bombing of a Russian passenger plane carrying 224 people from the Egyptian resort town of Sharm el-Sheikh to St. Petersburg, Russia. All 224 passengers and seven crew members were killed. ISIL-SP also claimed a suicide bombing that killed four Egyptian police officers and wounded at least five civilians in northern Sinai in November 2015.

On August 5, 2015, ISIL-SP claimed responsibility for the July 22 abduction of Croatian citizen Tomislav Salopek, who worked as a topographer for a French energy company. Salopek was kidnapped on October 6 in the western desert, approximately 20 km west of the suburbs of Cairo. ISIL-SP demanded the release of all female Muslims in Egyptian prisons within 48 hours in exchange for Salopek. Salopek was ultimately beheaded and ISIL-SP claimed responsibility for the killing.

Throughout the course of 2016, ISIL-SP carried out numerous attacks in the Sinai, including a January double bombing that killed two Egyptian policemen and two military officers. The group was also responsible for a July wide-scale coordinated attack on several military checkpoints that reportedly killed more than 50 people and a separate July mortar attack on a military checkpoint near the town of Skeikh Zuweid that killed five members of the Egyptian security forces. In November, ISIL-SP assassinated two Egyptian generals in North Sinai, and carried out a car bomb attack on a checkpoint in North Sinai that killed at least 12 Egyptian soldiers.

Strength: ISIL-SP is estimated to have several hundred fighters in the Sinai Peninsula and affiliated cells in the Nile Valley.

Location/Area of Operation: ISIL-SP operations are based out of the Sinai Peninsula, but its reach extends to Cairo, the Egyptian Nile Valley, as well as possibly more than 200 militants in Gaza.

Funding and External Aid: Although the source of ISIL-SP's funding is largely unknown, there are indications that it may receive funding from external actors.

JAMA'ATU ANSARUL MUSLIMINA FI BILADIS-SUDAN (ANSARU)

aka Ansaru; Ansarul Muslimina Fi Biladis Sudan; Vanguards for the Protection of Muslims in Black Africa; JAMBS; Jama'atu Ansaril Muslimina Fi Biladis Sudan

Description: Designated as a Foreign Terrorist Organization on November 14, 2013, Jama'atu Ansarul Muslimina fi Biladis-Sudan (Ansaru) publicly splintered from Boko Haram in January 2012. Ansaru's leadership structure is unclear, although it is known Khalid al-Barnawi held a top leadership position within the group until his alleged capture by the Nigerian army in April 2016. Since its inception, Ansaru has targeted civilians, including Westerners, and Nigerian government and security officials. Ansaru purportedly aims to defend Muslims throughout all of Africa by fighting against the Nigerian government and international interests. While Ansaru claims to identify with Boko Haram's objectives and struggle, it has criticized the group for killing fellow Muslims.

Activities: In November 2012, Ansaru raided a police station in Abuja, killing Nigerian police officers and freeing detained terrorists from prison. In January 2013, Ansaru attacked a convoy of Nigerian peacekeepers on their way to Mali.

Ansaru has also carried out multiple kidnapping operations targeting civilians. In late 2012, Ansaru kidnapped a French engineer claiming the action was justified due to French involvement in Mali. In early 2013, Ansaru kidnapped and subsequently killed seven international construction workers.

Ansaru did not publicly claim any attacks between 2014 and 2016. On April 4, 2016, the Nigerian army announced the capture of Ansaru leader Terrorist Khalid al-Barnawi.

Strength: Total membership is unknown. Given its narrower scope of operations, it is estimated that Ansaru's membership is much smaller than that of Boko Haram.

Location/Area of Operation: Northern Nigeria

Funding and External Aid: Unknown

JAISH-E-MOHAMMED

aka the Army of Mohammed; Mohammed's Army; Tehrik ul-Furqaan; Khuddam-ul-Islam; Khudamul Islam; Kuddam e Islami; Jaish-i-Mohammed

Description: Pakistan-based Jaish-e-Mohammed (JeM) was designated as a Foreign Terrorist Organization on December 26, 2001. JeM was founded in early 2000 by former senior Harakat ul-Mujahideen leader Masood Azhar upon his release from prison in India in exchange for 155 hijacked Indian Airlines hostages. The group aims to annex the state of Jammu and Kashmir to Pakistan and expel international forces from Afghanistan. JeM has openly declared war against the United States.

Activities: JeM has continued to operate openly in parts of Pakistan despite the country's 2002 ban on its activities. Since its founding, JeM has conducted many fatal terrorist attacks in the region. JeM claimed responsibility for several suicide car bombings in the state of Jammu and Kashmir, including an October 2001 suicide attack on the Jammu and Kashmir legislative assembly building in Srinagar that killed more than 30 people. The Indian government has publicly implicated JeM, along with Lashkar e-Tayyiba (LeT), in the December 2001 attack on the Indian Parliament that killed nine people and injured 18 others.

In 2002, Pakistani authorities arrested and convicted a JeM member for the abduction and murder of U.S. journalist Daniel Pearl. Pakistani authorities reportedly suspect that JeM members may have been involved in the 2002 anti-Christian attacks in Islamabad, Murree, and Taxila that killed two U.S. citizens. In December 2003, Pakistan implicated JeM members in two assassination attempts against then-President Pervez Musharraf. In December 2013, JeM threatened to kill Indian politician Narendra Modi if he were elected Prime Minister. In 2015, JeM launched three small-scale attacks targeting Indian army camps; approximately five to 10 people were killed in the attacks.

In 2016, Indian officials blamed JeM for a January attack on an Indian Air Force base in Pathankot. One civilian and seven Indian security force personnel were killed, and an additional 20 security force personnel were wounded in the strike. Also in January, JeM was suspected of conducting an attack on the Indian consulate in Mazar-e-Sharif, Afghanistan. From February through May 2016, both LeT and JEM were suspected of engaging in at least three firefights with Indian security forces in Kupwara district, Jammu and Kashmir, injuring approximately two Indian personnel. In June 2016, it is unclear whether LeT or JEM were responsible for an ambush on an Indian security force convoy in Pulwama district, Jammu and Kashmir, killing eight and injuring 20. In December 2016, the Indian National Intelligence Agency announced that JeM leader Azhar and his brother, Rauf Asghar, were directly implicated in the attack.

Strength: JeM has at least several hundred armed supporters.

Location/Area of Operation: India, including the state of Jammu and Kashmir; Afghanistan; and Pakistan, particularly southern Punjab.

Funding and External Aid: To avoid asset seizures by the Pakistani government, since 2007 JeM has withdrawn funds from bank accounts and invested in legal businesses, such as commodity trading, real estate, and the production of consumer goods. JeM also collects funds through donation requests in magazines and pamphlets, sometimes using charitable causes to solicit donations.

JAYSH RIJAL AL-TARIQ AL-NAQSHABANDI (JRTN)

aka Jaysh Rijal al-Tariq al-Naqshabandi; Army of the Men of the Naqshbandi Order; Armed Men of the Naqshabandi Order; Naqshbandi Army; Naqshabandi Army; Men of the Army of al-Naqshbandia Way; Jaysh Rajal al-Tariqah al-Naqshbandia; JRTN; JRN; AMNO

Description: Jaysh Rijal al-Tariq al-Naqshabandi (JRTN) was designated as a Foreign Terrorist Organization in September 2015. The group first announced insurgency operations against international forces in Iraq in December 2006 in response to the execution of Saddam Hussein. Izzat Ibrahim al-Douri, former vice president of Saddam Hussein's Revolutionary Council, leads the group, which consists of former Baath Party officials, military personnel, and Sunni nationalists. Al-Douri was once one of the most-wanted men in Iraq by Coalition Forces. JRTN aims to overthrow the government of Iraq, install a new Ba'athist regime, and to end external influence in Baghdad. JRTN believes in Iraqi and Arab secular nationalism and Naqshabandi Sufi Islam ideals.

Activities: Between its founding in 2006 and the 2011 withdrawal of Coalition Forces from Iraq, JRTN claimed, and distributed numerous videos of, attacks on U.S. bases and forces. JRTN is also known to have used vehicle-borne improvised explosive devicess against Iraqi government security forces. JRTN's influence has grown by exploiting the disintegration of other insurgent groups.

In 2014, elements of JRTN joined military forces with ISIS in opposition to the Iraqi government. The group played a major role in the capture of Mosul from Iraqi security forces in 2014. Elements of JRTN continued cooperating with ISIS in 2016, but did not publicly claim any specific attacks.

Strength: The most recent membership numbers available are 1,500 to 5,000, as of 2011. Membership is almost certainly much lower today.

Location/Area of Operation: Primarily Iraq

Funding and External Aid: JRTN historically received funding from former regime members, major tribal figures in Iraq, and external contributions from the Gulf.

JEMAAH ANSHORUT TAUHID

aka JAT; Jemmah Ansharut Tauhid; Jem'mah Ansharut Tauhid; Jamaah Ansharut Tauhid; Jama'ah Ansharut Tauhid; Laskar 99

Description: The Department of State designated Jemaah Anshorut Tauhid (JAT) as a Foreign Terrorist Organization on March 13, 2012. Formed in 2008, the Indonesia-based group seeks to establish an Islamic caliphate in Indonesia, and has carried out numerous attacks on Indonesian government personnel, police, military, and civilians. In 2011, Abu Bakar Ba'asyir, the founder and leader of JAT, was convicted and sentenced to 15 years in prison for his role in organizing a militant training camp in Aceh. Ba'asyir is also the co-founder and former leader of Jemaah Islamiya (JI). JAT maintains ties to JI and other terrorist groups in Southeast Asia.

Activities: JAT has conducted multiple attacks targeting civilians and Indonesian officials, resulting in the deaths of numerous Indonesian police and innocent civilians. In October 2012, authorities blamed JAT for torturing and killing two police officers investigating an alleged terrorist camp linked to JAT in Poso. In December 2012, four police officers were killed and two wounded in an attack by suspected local JAT members in Central Sulawesi.

Since Abu Bakar Ba'asyir's pledge of allegiance to ISIS in 2014, many JAT members have joined Indonesia's ISIS-affiliated groups; others have joined al-Qa'ida-affiliated groups.

Although JAT did not publicly claim any attacks in 2016, JAT members are believed to have been involved in ISIS operations in Southeast Asia.

Strength: JAT is estimated to have several thousand supporters and members, although internal disagreements over aligning with ISIS have likely reduced its membership.

Location/Area of Operation: Indonesia

Funding and External Aid: JAT raises funds through membership donations and legitimate business activities. JAT has also conducted cyber hacking, robbed banks, and carried out other illicit activities to fund the purchase of assault weapons, ammunition, explosives, and bomb-making materials.

JEMAAH ISLAMIYA

aka Jemaa Islamiyah; Jema'a Islamiyah; Jemaa Islamiyya; Jema'a Islamiyya; Jemaa Islamiyyah; Jema'a Islamiyyah; Jemaah Islamiah; Jemaah Islamiyah; Jema'ah Islamiyah; Jemaah Islamiyyah; Jema'ah Islamiyyah; JI

Description: Designated as a Foreign Terrorist Organization on October 23, 2002, Jemaah Islamiya (JI) is a Southeast Asia-based terrorist group co-founded by Abdullah Sungkar and Abu Bakar Ba'asyir. The group seeks to establish an Islamic caliphate spanning Brunei, Indonesia, Malaysia, Singapore, the southern Philippines, and southern Thailand. More than 400 JI operatives have been captured or killed since 2002, including operations chief and al-Qa'ida (AQ) associate Hambali and, in January 2015, bomb-maker Zulfiki bin Hir (aka Marwan). The group has been linked to AQ in the past.

Activities: JI has carried out many attacks in the region. Significant JI attacks include the 2002 Bali bombings, which killed more than 200 people, among them seven U.S. citizens; the August

2003 bombing of the J.W. Marriott Hotel in Jakarta; the September 2004 bombing outside the Australian Embassy in Jakarta; and the October 2005 suicide bombing in Bali, which left 26 dead, including the three suicide bombers.

On July 17, 2009, a JI faction led by Noordin Mohamed Top claimed responsibility for suicide attacks at the J.W. Marriott and Ritz-Carlton hotels in Jakarta that killed seven people and injured more than 50, including seven U.S. citizens.

In November 2014, Indonesian authorities released former JI bomb-maker Taufik Abdul Halim from prison after he served a 12-year sentence for attempting to bomb a Jakarta shopping mall in 2001.

In January 2015, 44 Philippines policemen and three civilians were killed when a police counterterrorism squad was ambushed while conducting a raid in Mamasapano in the southern island of Mindanao. That same month, it was reported that JI-linked violent extremists had attempted to carry out attacks during a papal visit to Manila and Tacloban. In October 2015, two senior JI leaders – Zarkashi and JI military leader Abu Dujana – were released from prison after serving seven years each in Indonesian jails. In December 2015, police in East Java arrested four individuals associated with JI involved in manufacturing firearms for terrorist activities.

There were no reported attacks by JI in 2016. JI is believed to be recruiting and strengthening its network and finances, however. In early 2016, it was also reported that the group was sending members to Syria to train.

Strength: Estimates vary from 500 to several thousand members.

Location/Area of Operation: JI has been focusing on its operations and increasing its presence in Indonesia. The group has also carried out attacks in Malaysia and the Philippines in the past**.**

Funding and External Aid: JI fundraises through membership donations and criminal and business activities. It has received financial, ideological, and logistical support from Middle Eastern contacts and illegitimate charities and organizations.

JUNDALLAH

aka People's Resistance Movement of Iran (PMRI); Jonbesh-i Moqavemat-i-Mardom-i Iran; Popular Resistance Movement of Iran; Soldiers of God; Fedayeen-e-Islam; Former Jundallah of Iran; Jundullah; Jondullah; Jundollah; Jondollah; Jondallah; Army of God (God's Army); Baloch Peoples Resistance Movement (BPRM)

Description: Jundallah was designated as a Foreign Terrorist Organization on November 4, 2010. Since its inception in 2003, Jundallah, which operates primarily in the province of Sistan va Balochistan of Iran, and the Baloch areas of Pakistan and Afghanistan, has engaged in numerous attacks, killing and maiming scores of Iranian civilians and government officials. Jundallah's stated goals are to secure recognition of Balochi cultural, economic, and political rights from the Government of Iran, and to spread awareness of the plight of the Baloch people.

The 2010 execution of Jundallah's leader by Iran and the killing and arrest of many Jundallah fighters seriously diminished Jundallah's capacity to operate.

Activities: Jundallah claimed responsibility for an October 2009 suicide bomb attack in the Sistan va Balochistan province that killed more than 40 people and was reportedly the deadliest terrorist attack in Iran since the 1980s. In a statement on its website, Jundallah also claimed the December 15, 2010 suicide bomb attack inside the Iman Hussein Mosque in Chabahar, which killed an estimated 35 to 40 civilians and wounded 60 to 100. In July 2010, Jundallah attacked the Grand Mosque in Zahedan, killing approximately 30 and injuring an estimated 300. Jundallah did not publicly claim any attacks in 2016.

Strength: Unknown

Location/Area of Operation: Jundallah has traditionally operated throughout the Sistan va Balochistan province in southeastern Iran and the greater Balochistan area of Afghanistan and Pakistan.

Funding and External Aid: Unknown

KAHANE CHAI

aka American Friends of the United Yeshiva; American Friends of Yeshivat Rav Meir; Committee for the Safety of the Roads; Dikuy Bogdim; DOV; Forefront of the Idea; Friends of the Jewish Idea Yeshiva; Jewish Legion; Judea Police; Judean Congress; Kach; Kahane; Kahane Lives; Kahane Tzadak; Kahane.org; Kahanetzadak.com; Kfar Tapuah Fund; Koach; Meir's Youth; New Kach Movement; Newkach.org; No'ar Meir; Repression of Traitors; State of Judea; Sword of David; The Committee Against Racism and Discrimination (CARD); The Hatikva Jewish Identity Center; The International Kahane Movement; The Jewish Idea Yeshiva; The Judean Legion; The Judean Voice; The Qomemiyut Movement; The Rabbi Meir David Kahane Memorial Fund; The Voice of Judea; The Way of the Torah; The Yeshiva of the Jewish Idea; Yeshivat Harav Meir

Description: Radical Israeli-American Rabbi Meir Kahane founded Kach – the precursor to Kahane Chai – with the aim of restoring Greater Israel (Israel, the West Bank, and Gaza). Its offshoot, Kahane Chai (translation: "Kahane Lives"), was founded by Meir Kahane's son Binyamin, following his father's 1990 assassination. Both organizations were designated as Foreign Terrorist Organizations on October 8, 1997. The group has attempted to gain seats in the Israeli Knesset over the past several decades but has not won a seat since 1984.

Activities: Kahane Chai has harassed and threatened Arabs, Palestinians, and Israeli government officials, and vowed revenge for the December 2000 death of Binyamin Kahane and his wife. The group is suspected of involvement in a number of low-level attacks since the start of the Second Palestinian Intifada in 2000. Since 2003, Kahane Chai activists have physically intimidated Israeli and Palestinian government officials who favored the dismantlement of Israeli settlements. Kahane Chai was last linked to an attack in 2005, when a member of the terrorist group shot dead four people on a bus in Shfaram, Israel. The group was dormant in 2016.

Strength: Since 2005, Kahane Chai's core membership has been estimated to be fewer than 100. The group's membership and support networks were overwhelmingly composed of Israeli citizens that lived mostly in West Bank settlements.

Location/Area of Operation: Israel and West Bank settlements, particularly Qiryat Arba in Hebron

Funding and External Aid: Has received support from sympathizers in the United States and Europe.

KATA'IB HIZBALLAH

aka Hizballah Brigades; Hizballah Brigades in Iraq; Hizballah Brigades-Iraq; Kata'ib Hezbollah; Khata'ib Hezbollah; Khata'ib Hizballah; Khattab Hezballah; Hizballah Brigades-Iraq of the Islamic Resistance in Iraq; Islamic Resistance in Iraq; Kata'ib Hizballah Fi al-Iraq; Katibat Abu Fathel al-A'abas; Katibat Zayd Ebin Ali; Katibut Karbalah

Description: Formed in 2006 and designated as a Foreign Terrorist Organization on July 2, 2009, Kata'ib Hizballah (KH) is a radical Shia Islamist group with an anti-Western outlook and violent extremist ideology. Prior to the withdrawal of U.S. troops in 2011, the group conducted attacks against Iraqi, U.S., and Coalition targets in Iraq, and threatened the lives of Iraqi politicians and civilians supporting the legitimate political process in Iraq. The group is notable for its extensive use of media operations and propaganda, including filming and releasing videos of attacks. KH has ideological ties to and receives support from Iran.

Activities: KH has claimed responsibility for numerous terrorist attacks since 2007, including improvised explosive device bombings, rocket-propelled grenade attacks, and sniper operations. In 2007, KH gained notoriety for its attacks against U.S. and Coalition Forces in Iraq. In June 2011, five U.S. soldiers were killed in a rocket attack in Baghdad when KH assailants fired between three and five rockets at U.S. military base Camp Victory. The group remained active in 2015, participating in fighting in Syria in support of the Assad regime, and in Iraq against ISIS. In June and July 2015, the group broadcast its recruitment contact information and an appeal for donations on a pro-Iran channel and on YouTube in an effort to recruit fighters to Syria and Iraq.

In 2016, the group continued to fight ISIS by joining the Iraqi Army in the Battle of Mosul. KH ultimately advanced farther west of Mosul to clear the Syria/Iraq border, while other Iranian-backed Shia militias continued fighting closer to the city.

Strength: Membership is estimated as at least 400 individuals.

Location/Area of Operation: Predominately Iraq-based, but also participates in fighting alongside pro-Assad regime forces in Syria. Traditionally, KH conducted the majority of its operations in Baghdad, but its operations have since expanded into other parts of Iraq.

Funding and External Aid: KH is heavily dependent on support from Iran.

KURDISTAN WORKERS' PARTY

aka the Kurdistan Freedom and Democracy Congress; the Freedom and Democracy Congress of Kurdistan; KADEK; Partiya Karkeran Kurdistan; the People's Defense Force; Halu Mesru Savunma Kuvveti; Kurdistan People's Congress; People's Congress of Kurdistan; KONGRA-GEL

Description: Founded by Abdullah Ocalan in 1978 as a Marxist-Leninist separatist organization, the Kurdistan Workers' Party (PKK) was designated as a Foreign Terrorist Organization on October 8, 1997. The group, composed primarily of Turkish Kurds, launched a campaign of violence in 1984. The PKK's original goal was to establish an independent Kurdish state in southeastern Turkey. In recent years, however, the PKK has spoken more about autonomy within a Turkish state that guarantees Kurdish cultural and linguistic rights.

Activities: In the early 1990s, the PKK moved beyond rural-based insurgent activities to include urban terrorism. Anatolia became the scene of significant violence, with some estimates suggesting at least 40,000 casualties. Following his capture in 1999, Ocalan announced a "peace initiative," ordering members to refrain from violence and requesting dialogue with Ankara on Kurdish issues. Ocalan's death sentence was commuted to life imprisonment; he remains the symbolic leader of the group. The PKK foreswore violence until June 2004, when its hardline militant wing took control and renounced the self-imposed ceasefire of the previous five years. Striking over the border from bases within Iraq, the PKK engaged in terrorist attacks in eastern and western Turkey. In 2009, the Turkish government and the PKK resumed peace negotiations, but talks broke down after the PKK carried out an attack in July 2011 that left 13 Turkish soldiers dead. In 2012, the PKK claimed responsibility for multiple car bombings resulting in the deaths of at least 10 people. Primary targets included Turkish government security forces, local Turkish officials, and villagers who oppose the organization in Turkey.

Between January and mid-July 2015, the PKK carried out small-scale armed attacks against Turkey's security forces and military bases. A ceasefire, negotiated between 2012 and 2014, ended in July 2015 when the PKK killed two security personnel. During 2016, the PKK continued its terrorist activity in Turkey. Turkish officials blamed the PKK for the August 17 vehicle-borne improvised explosive device (VBIED) attack at a police station in the province of Van, which killed four and wounded 72. The PKK also claimed an August 26 VBIED strike against Sirnak police headquarters, which killed 11 and wounded more than 70.

Strength: Approximately 4,000 to 5,000 members; 3,000 to 3,500 of which are located in northern Iraq.

Location/Area of Operation: The group is located primarily in Turkey, Iraq, and Syria.

Funding and External Aid: The PKK receives financial support from the large Kurdish diaspora in Europe and from criminal activity.

LASHKAR E-TAYYIBA

aka al Mansooreen; Al Mansoorian; Army of the Pure; Army of the Pure and Righteous; Army of the Righteous; Lashkar e-Toiba; Lashkar-i-Taiba; Paasban-e-Ahle-Hadis; Paasban-e-Kashmir; Paasban-i-Ahle-Hadith; Pasban-e-Ahle-Hadith; Pasban-e-Kashmir; Jamaat-ud-Dawa; JUD; Jama'at al-Dawa; Jamaat ud-Daawa; Jamaat ul-Dawah; Jamaat-ul-Dawa; Jama'at-i-Dawat; Jamaiat-ud-Dawa; Jama'at-ud-Da'awah; Jama'at-ud-Da'awa; Jamaati-ud-Dawa; Idara Khidmat-e-Khalq; Falah-i-Insaniat Foundation; FiF; Falah-e-Insaniat Foundation; Falah-e-Insaniyat; Falah-i-Insaniyat; Falah Insania; Welfare of Humanity; Humanitarian Welfare Foundation; Human Welfare Foundation; Al-Anfal Trust; Tehrik-e-Hurmat-e-Rasool; Tehrik-e-Tahafuz Qibla Awwal; Al-Muhammadia Students; Al-Muhammadia Students Pakistan; AMS

Description: Designated as a Foreign Terrorist Organization (FTO) on December 26, 2001, Lashkar e-Tayyiba (LeT) is one of the largest and most proficient of the anti-India-focused terrorist groups. LeT formed in the late 1980s as the terrorist wing of the Islamist extremist organization Markaz ud Dawa ul-Irshad, a Pakistan-based Islamic fundamentalist mission organization and charity originally formed to oppose the Soviet presence in Afghanistan. LeT is led by Hafiz Muhammad Saeed and is not connected to any political party. Shortly after LeT was designated as an FTO, Saeed changed the group's name to Jamaat-ud-Dawa (JUD) and launched humanitarian projects to circumvent restrictions. LeT disseminates its message through JUD's media outlets. In addition to the creation of JUD, LeT has repeatedly changed its name in an effort to avoid sanctions; other LeT aliases and front groups include Al-Anfal Trust, Tehrik-e-Hurmat-e-Rasool, and Tehrik-e-Tahafuz Qibla Awwal. In December 2016, the Department of State also amended the LeT FTO designation to add the alias Al Muhammadia Students.

Elements of LeT and Jaish-e-Muhammad (JeM) combine with other groups to mount attacks. The Pakistani government banned LeT in January 2002 and temporarily arrested LeT's leader Hafiz Saeed following the 2008 Mumbai attack. LeT and Saeed continued to spread terrorist rhetoric and virulent hate speech condemning India, Israel, the United States, and other perceived enemies in 2016.

Activities: LeT has conducted operations, including several high profile attacks, against Indian troops and civilian targets in the state of Jammu and Kashmir since 1993. The group has also attacked Coalition Forces in Afghanistan. LeT uses assault rifles, machine guns, mortars, explosives, and rocket-propelled grenades.

LeT was responsible for the November 2008 attacks in Mumbai against luxury hotels, a Jewish center, a train station, and a popular café that killed 166 people – including six U.S. citizens – and injured more than 300. India has charged 38 people in the case; most are at large, however, and thought to be in Pakistan.

In March 2010, Pakistani-American businessman David Headley pled guilty in a U.S. court to charges related to his role in the November 2008 LeT attacks in Mumbai, as well as to charges

related to a separate plot to bomb the Danish newspaper, *Jyllands-Posten*. In May 2011, Headley was a witness in the trial of Tahawwur Rana, who was charged and prosecuted successfully for providing material support to LeT; he was sentenced to 14 years in prison in January 2013. In December 2015, Headley agreed to testify on behalf of the prosecution via videoconference in the trial of Zabiuddin Ansari in India.

LeT was responsible for the May 23, 2014 attack on the Indian consulate in Herat, Afghanistan. Throughout the course of 2014-2015, LeT terrorists also engaged in repeated gun battles with Indian security forces in Jammu and Kashmir.

LeT was behind a July 2015 attack in Gurdaspur, Punjab, which killed seven people. In August 2015, operatives affiliated with LeT attacked Indian security forces in Udhampur, Jammu and Kashmir. In December 2015, LeT carried out an attack on a paramilitary convoy after it left Srinagar, Kashmir; three militants opened fire on the convoy, injuring one civilian and seven Indian military personnel.

From February through May, 2016, LeT was suspected of engaging in at least three firefights with Indian security forces in Kupwara district, Jammu and Kashmir, injuring two Indian personnel. In June 2016, LeT was suspected of conducting an ambush on an Indian security force convoy in Pulwama district, Jammu and Kashmir, killing eight and injuring 20. Some media reports also alleged the group's involvement in the September 2016 attack on an Indian Army camp in Uri, Jammu and Kashmir; 20 soldiers were killed in the attack.

Strength: The precise size of LeT is unknown, but it has several thousand members in Azad Jammu and Kashmir and Pakistani Punjab; Khyber-Pakhtunkhwa and Punjab Provinces in Pakistan; and in the state of Jammu and Kashmir, India.

Location/Area of Operation: LeT has global connections and a strong operational network throughout South Asia. LeT maintains a number of facilities, including training camps, schools, and medical clinics in Pakistan. LeT is also active in Afghanistan.

Funding and External Aid: LeT collects donations in Pakistan and the Gulf as well as from other donors in the Middle East and Europe – particularly the United Kingdom, where it is a designated terrorist organization. In 2016, LeT front organizations continued to openly fundraise in Pakistan and solicited donations in the Pakistani press.

LASHKAR I JHANGVI

aka Army of Jhangvi; Lashkar e Jhangvi; Lashkar-i-Jhangvi

Description: Designated as a Foreign Terrorist Organization on January 30, 2003, Lashkar I Jhangvi (LJ) is the terrorist offshoot of the Sunni Deobandi sectarian group Sipah-i-Sahaba Pakistan. LJ carries out attacks in Afghanistan and Pakistan, focusing primarily on anti-Shia operations. The Government of Pakistan banned the group in August 2001 as part of an effort to rein in sectarian violence, causing many LJ members to seek refuge in Afghanistan with the Taliban, with whom the group had existing ties. After the collapse of the Taliban government in

Afghanistan, LJ members became active in aiding other terrorists; they provided safe houses, false identities, and protection in Pakistani cities, including Karachi, Peshawar, and Rawalpindi. LJ works closely with the Tehrik-e Taliban Pakistan.

Activities: LJ specializes in armed attacks and bombings and has admitted to numerous killings of Shia religious and community leaders in Pakistan. In January 1999, the group attempted to assassinate Prime Minister Nawaz Sharif and his brother Shahbaz Sharif, Chief Minister of Punjab Province. Media reports linked LJ to attacks on Christian targets in Pakistan, including a March 2002 grenade assault on the Protestant International Church in Islamabad that killed two U.S. citizens.

In January 2014, at least 24 people were killed and 40 others wounded in a bus bombing targeting Shia pilgrims; LJ claimed responsibility for the attack. LJ also claimed responsibility for the December 2015 suicide bombing that targeted a market in the predominantly Shia town of Parachinar, Pakistan that killed at least 23 people and wounded 50.

In November 2016, two individuals suspected of belonging to LJ were arrested by police in Pakistan for their alleged involvement in 25 cases of targeted killings which included the murder of Pakistani singer Amjad Sabri, as well as army and police personnel. In December, Naeem Bukhari was sentenced to death by a Pakistani military court for his involvement in several attacks as the head of a faction of LJ. Several attacks claimed by Islamic State's Khorasan Province in Pakistan in 2016 were suspected of being conducted in collaboration with LJ affiliates.

Strength: Membership is assessed to be in the low hundreds.

Location/Area of Operation: Primarily in Pakistan's Punjab province, the Federally Administered Tribal Areas, Karachi, and Balochistan.

Funding and External Aid: Funding comes from wealthy donors in Pakistan, as well as the Middle East, particularly Saudi Arabia. The group engages in criminal activity, including extortion, to fund its activities.

LIBERATION TIGERS OF TAMIL EELAM

aka Ellalan Force; Tamil Tigers

Description: Founded in 1976 and designated as a Foreign Terrorist Organization on October 8, 1997, the Liberation Tigers of Tamil Eelam (LTTE) is a Tamil secessionist group in Sri Lanka. Despite its military defeat at the hands of the Sri Lankan government in 2009, the LTTE's international network of sympathizers and financial support has persisted.

Activities: Although the LTTE has been largely inactive since its military defeat in 2009, in the past it was responsible for an integrated battlefield insurgent strategy that targeted key installations and senior Sri Lankan political and military leaders. In early 2009, Sri Lankan forces recaptured the LTTE's key strongholds, including their capital of Kilinochchi.

In May 2009, government forces defeated the last LTTE fighting forces, killed LTTE leader Velupillai Prabhakaran and other members of the LTTE leadership and military command, and declared military victory.

There have been no known attacks in Sri Lanka that could verifiably be attributed to the LTTE since the end of the war in 2009, but a total of 13 LTTE supporters, several of whom had allegedly planned attacks against U.S. and Israeli diplomatic facilities in India, were arrested in Malaysia in 2014. Additional LTTE members were arrested in Malaysia and India in 2015, one of whom was accused of exhorting other Sri Lankans to fund and revive the LTTE.

Strength: Exact strength is unknown.

Location/Area of Operation: Sri Lanka and India

Funding and External Aid: LTTE's financial network of support continued after the LTTE's military defeat in 2009; the group used its international contacts and the large Tamil diaspora in North America, Europe, and Asia to procure weapons, communications, funds, and other needed supplies. The group employed charities as fronts to collect and divert funds for its activities.

MUJAHIDIN SHURA COUNCIL IN THE ENVIRONS OF JERUSALEM

aka MSC; Mujahideen Shura Council in the Environs of Jerusalem; Mujahideen Shura Council; Shura al-Mujahedin Fi Aknaf Bayt al-Maqdis; Majlis Shura al-Mujahidin; Majlis Shura al-Mujahideen; Magles Shoura al-Mujahddin

Description: The Mujahidin Shura Council in the Environs of Jerusalem (MSC) was designated as a Foreign Terrorist Organization on August 19, 2014. The MSC is a consolidation of several Salafi terrorist groups based in Gaza that have claimed responsibility for numerous attacks against Israel since the group's founding in 2012.

Activities: On August 13, 2013, MSC claimed responsibility for a rocket attack targeting the southern Israeli city of Eilat. Previously, MSC claimed responsibility for the March 21, 2013, attack in which Gaza-based militants fired at least five rockets at Sderot, Israel; and the April 17, 2013, attack in which two rockets were fired at Eilat, Israel. There were no known MSC attacks in 2016.

Strength: MSC is estimated to have several hundred fighters.

Location/Area of Operation: MSC operates in Gaza.

Funding and External Aid: Unknown

AL-MULATHAMUN BATTALION

aka al-Mulathamun Brigade; al-Muwaqqi'un bil-Dima; Those Signed in Blood Battalion; Signatories in Blood; Those who Sign in Blood; Witnesses in Blood; Signed-in-Blood Battalion;

Masked Men Brigade; Khaled Abu al-Abbas Brigade; al-Mulathamun Masked Ones Brigade; al-Murabitoun; The Sentinels

Description: The al-Mulathamun Battalion (AMB) was designated as a Foreign Terrorist Organization on December 19, 2013. AMB was originally part of al-Qa'ida in the Islamic Maghreb (AQIM), but became a separate organization in late 2012 after its leader, Mokhtar Belmokhtar, split from AQIM. In his first public statement after the split, Belmokhtar threatened to fight against Western interests and announced the creation of the sub-battalion, "Those Who Sign in Blood." In August 2013, AMB and the Mali-based Movement for Unity and Jihad in West Africa (MUJAO) announced that the two organizations would merge under the name "al-Murabitoun." In late 2015, AMB announced a re-merger with AQIM.

Activities: AMB's "Those Who Sign in Blood" sub-battalion claimed responsibility for the January 2013 attack against the Tiguentourine gas facility near In Amenas, in southeastern Algeria. More than 800 people were taken hostage during the four-day siege, resulting in the deaths of 39 civilians, including three U.S. citizens. Seven other U.S. citizens escaped.

Before their merger in August 2013, AMB cooperated with MUJAO in twin suicide bombings on a northern Nigerien military base and a French uranium mine in Arlit in May 2013. The coordinated attacks killed at least 20 people, including all of the attackers. AMB's attacks continued in 2014. In February, AMB claimed responsibility for attacking French forces with rockets near the Timbuktu airport.

In March 2015, AMB claimed responsibility for an attack at La Terrasse restaurant in Bamako, Mali. A French national, a Belgian national, and three Malians were killed when a masked gunman fired indiscriminately on the restaurant, and nine others were also wounded in the attack. In April, AMB claimed responsibility for a suicide bombing outside a UN Multidimensional Integrated Stabilization Mission in Mali (MINUSMA) camp in Ansongo, killing three civilians and wounding nine Nigerian peacekeepers. AMB also claimed the August hotel siege in central Mali; 17 people were killed, including four Malian soldiers and nine civilians, five of whom worked for MINUSMA. In November, AMB operatives participated in the strike on the Radisson Blu Hotel in Bamako, Mali, taking more than 170 people hostage – including U.S. citizens. As many as 27 people were killed in the attack; one of those killed was an U.S. international development worker.

AMB also was reportedly involved in the AQIM January 2016 attack on a popular tourist hotel in Burkina Faso that killed nearly 30, including one U.S. citizen.

Strength: Membership levels of AMB are unknown.

Location/Area of Operation: Algeria, Burkina Faso, Libya, Mali, and Niger

Funding and External Aid: In addition to the support it may receive through its connections to other terrorist organizations in the region, AMB is likely funded through kidnapping-for-ransoms and other criminal activities.

NATIONAL LIBERATION ARMY

aka ELN; Ejercito de Liberacion Nacional

Description: The National Liberation Army (ELN) was designated as a Foreign Terrorist Organization on October 8, 1997. The ELN is a Colombian Marxist-Leninist group formed in 1964. It is primarily rural-based, although it has several urban units. The ELN remains focused on attacking economic infrastructure – in particular oil and gas pipelines and electricity pylons - and on extorting foreign and local companies. ELN attacks in 2016 appeared to focus on improving the group's negotiation position in advance of peace talks with the Colombian government.

Activities: In 2016, the ELN continued to target Colombia's infrastructure, particularly oil pipelines. The ELN also launched mortars at police stations and the military, placed explosive devices near roads, and engaged in sniper attacks, roadblocks, and ambushes. In February, the ELN initiated a wave of violent attacks to force a 72-hour economic shutdown in several parts of the country. On May 22, the ELN kidnapped three journalists in Norte de Santander, who were released six days later to a Catholic Church delegation. On October 27, the ELN killed two civilian truck drivers in Arauca.

Strength: Approximately 1,500 armed combatants and an unknown number of active supporters.

Location/Area of Operation: Primarily in the rural and mountainous areas of northern, northeastern, and southwestern Colombia, as well as the border regions with Venezuela.

Funding and External Aid: The ELN draws its funding from the illicit narcotics trade and from extortion of oil and gas companies. Additional funds are derived from kidnapping ransoms. There is no known external aid.

AL-NUSRAH FRONT

aka Jabhat al-Nusrah; Jabhet al-Nusrah; The Victory Front; al-Nusrah Front for the People of the Levant; al-Nusrah Front in Lebanon; Jabhat al-Nusra li-Ahl al-Sham min Mujahedi al-Sham fi Sahat al-Jihad; Support Front for the People of the Levant; Jabhat Fath al-Sham; Jabhat Fath al Sham; Jabhat Fatah al-Sham; Jabhat Fateh al-Sham; Front for the Conquest of Syria; The Front for liberation of al Sham; Front for the Conquest of Syria/the Levant; Front for the Liberation of the Levant; Conquest of the Levant Front; Fatah al-Sham Front; Fateh Al-Sham Front

Description: Al-Nusrah Front (ANF) is al-Qa'ida's affiliate in Syria and was designated as a Foreign Terrorist Organization on May 15, 2014. It is led by Abu Muhammad al-Jawlani aka al-Julani. The group was formed in late 2011 when then-al-Qa'ida in Iraq (AQI) – now ISIS – leader and SDGT Abu Bakr al-Baghdadi sent al-Jawlani to Syria to organize terrorist cells. In 2013, the group split from AQI and became an independent entity. ANF's stated goal is to oust Syria's Assad regime and replace it with a Sunni Islamic state. The group currently controls a portion of territory in northwest Syria from which it participates in the Syrian conflict. It also

operates in the mountainous, mostly uninhabited zones of the un-demarcated Lebanese-Syrian border, and maintains a small presence in southern Syria.

Activities: ANF has been active in a number of operations against other factions in the Syrian conflict. In December 2013, ANF abducted 13 nuns from a Christian monastery in Maaloula and held them until March 9, 2014. In 2014, ANF also carried out multiple suicide bomb attacks and kidnappings, including the abduction of UN peacekeepers.

ANF continued fighting in Syria throughout 2015; it participated in fighting against other opposition groups and carried out a number of kidnappings against civilians. In March 2015, ANF claimed an attack on the intelligence headquarters of Syria's air force in Aleppo, killing an estimated 20 members of the security force. In April 2015, ANF reportedly kidnapped, and later released, approximately 300 Kurdish civilians from a checkpoint in Syria. In June 2015, ANF claimed responsibility for the massacre of the Druze village Qalb Lawzeh in Idlib province, Syria, which killed 20. In July 2015, the group claimed responsibility for a suicide bombing of an army outpost in Aleppo, which killed at least 25 soldiers and allied militia.

In 2016, the group carried out attacks in Aleppo and in other parts of Syria controlled by the Syrian army, killing both military officials and civilians. ANF also attacked various Syrian opposition groups.

In July, ANF leader Jawlani announced the group had adopted a new name, Jabhat Fath al-Sham, and would no longer be known as ANF. The Department of State amended the designation of al-Nusrah Front in November 2016 to add additional aliases, including Jabhat Fath al-Sham. The group remains al-Qa'ida's affiliate in Syria.

Strength: Five to 10 thousand members

Location/Area of Operation: Syria and Lebanon

Funding and External Aid: ANF receives funding from a variety of sources, including kidnapping-for-ransom payments and donations from external Gulf-based donors.

PALESTINE ISLAMIC JIHAD

aka PIJ; PIJ-Shaqaqi Faction; PIJ-Shallah Faction; Islamic Jihad of Palestine; Islamic Jihad in Palestine; Abu Ghunaym Squad of the Hizballah Bayt al-Maqdis; Al-Quds Squads; Al-Quds Brigades; Saraya al-Quds; Al-Awdah Brigades

Description: Palestine Islamic Jihad (PIJ) was designated as a Foreign Terrorist Organization on October 8, 1997. Formed by militant Palestinians in Gaza during the 1970s, PIJ is committed to the destruction of Israel through attacks against Israeli military and civilian targets and to the creation of an Islamic state in all of historic Palestine, including present day Israel.

Activities: PIJ terrorists have conducted numerous attacks, including large-scale suicide bombings, against Israeli civilian and military targets. Although U.S. citizens have died in PIJ

attacks, the group has not directly targeted U.S. interests. Between 2008 and 2011, PIJ primarily conducted rocket attacks aimed at southern Israeli cities and attacked Israeli targets with explosive devices. In 2012 and 2014, PIJ operatives carried out attacks on Israeli buses in Tel Aviv. In March 2014, PIJ carried out a wave of rocket attacks into Israeli territory; 60 rockets are believed to have reached Israel.

In early 2015, PIJ began re-arming and replenishing its ranks. In March of that year, reports suggested that approximately 200 new recruits between the ages of 19 and 22 were undergoing various PIJ training programs lasting anywhere from 36 days to six months. That same month, PIJ revealed its militants were smuggling weapons, including rockets and mortars made inside Gaza, through tunnels in Gaza, in preparation for future attacks against Israel. In May, Israeli forces blamed PIJ for firing a rocket that landed in Gan Yazne, a region close to the Gaza border. The rocket was the first mid-range rocket fired at Israel since the August 2014 ceasefire. In August 2015, four militants, including one PIJ operative, were arrested in conjunction with what Israel's domestic security agency Shin Bet described as a PIJ plot to attack Jewish worshippers at Joseph's Tomb in the West Bank. Later that month, the Israel Defense Forces (IDF) claimed PIJ operatives in Syria fired four rockets at the Golan Heights and Upper Galilee.

Over the course of 2016, PIJ continued to strike Israel, primarily through light arms fire at IDF patrols. In September, Israeli authorities arrested PIJ operative Mahmoud Yusuf Hasin Abu Taha upon his entry into Israel from Gaza, interrupting a PIJ plot to abduct and kill an IDF soldier, and carry out a mass-casualty attack on a reception hall in Beersheba. PIJ also boycotted the Palestinian municipal elections in October, arguing in favor of resistance, rather than elections, as a means to achieve Palestinian goals.

Strength: PIJ has close to 1,000 members.

Location/Area of Operation: Primarily Gaza, with minimal operational presence in the West Bank and Israel. Other leadership elements reside in Lebanon and official representatives are scattered throughout the Middle East.

Funding and External Aid: PIJ receives financial assistance and training primarily from Iran. PIJ has partnered with Iranian- and Syrian-sponsored Hizballah to carry out joint operations.

PALESTINE LIBERATION FRONT – ABU ABBAS FACTION

aka PLF; PLF-Abu Abbas; Palestine Liberation Front

Description: The Palestinian Liberation Front – Abu Abbas Faction (PLF) was designated as a Foreign Terrorist Organization on October 8, 1997. In the late 1970s, the Palestine Liberation Front (PLF) splintered from the Popular Front for the Liberation of Palestine-General Command (PFLP-GC). It later split into pro-Palestinian Liberation Organization (PLO), pro-Syrian and pro-Libyan factions. The pro-PLO faction was led by Muhammad Zaydan (a.k.a. Abu Abbas) and based in Baghdad prior to Operation Iraqi Freedom.

Activities: The PLF was responsible for the 1985 attack on the Italian cruise ship *Achille Lauro* and the murder of U.S. citizen Leon Klinghoffer. The PLF was suspected of supporting terrorism against Israel by other Palestinian groups into the 1990s. In April 2004, Abu Abbas died of natural causes while in U.S. custody in Iraq. After not claiming an attack for 16 years, the PLF claimed responsibility for the March 14, 2008, assault against an Israeli military bus in Huwarah, Israel, and the shooting of an Israeli settler. Following the attacks, a PLF Central Committee member reaffirmed the group's commitment to using "all possible means to restore" its previous glory and to adhering to its role in the Palestinian "struggle" and "resistance" through its military. On February 18, 2010, the PLF claimed responsibility for an improvised explosive device (IED) attack against an Israel Defense Forces patrol, which caused minor injuries to a soldier; another IED was discovered during a search of the area. The group did not publicly claim any attacks in 2016, but continued to maintain a strong presence in many refugee camps in Gaza, Lebanon, and Syria.

Strength: Estimates have placed membership between 50 and 500.

Location/Area of Operation: PLF leadership and members are based in Gaza, Lebanon, and the West Bank.

Funding and External Aid: Unknown

POPULAR FRONT FOR THE LIBERATION OF PALESTINE

aka PFLP; Halhul Gang; Halhul Squad; Palestinian Popular Resistance Forces; PPRF; Red Eagle Gang; Red Eagle Group; Red Eagles; Martyr Abu-Ali Mustafa Battalion

Description: Designated as a Foreign Terrorist Organization on October 8, 1997, the Popular Front for the Liberation of Palestine (PFLP) is a Marxist-Leninist group that was formed in 1967 by George Habash after splitting from the Arab Nationalist Movement. The group earned a reputation for large-scale international attacks in the 1960s and 1970s, including airline hijackings that killed at least 20 U.S. citizens.

Activities: The PFLP increased its operational activity during the Second Intifada. During that time, the group assassinated Israeli Tourism Minister Rehavam Ze'evi in 2001, carried out at least two suicide operations, and launched multiple joint operations with other Palestinian terrorist groups. In 2008 and 2009, the PFLP claimed responsibility for numerous attacks on Israel Defense Forces (IDF) in Gaza.

Between 2008 and 2011, the PLFP claimed responsibility for multiple mortar and rocket attacks fired from Gaza into Israel. In 2011, the group carried out an attack on a group of Israeli citizens. In 2012, the Israeli Security Agency arrested several members of the PFLP for plotting to carry out attacks on IDF checkpoints and planning to conduct kidnappings.

On November 18, 2014, two Palestinians reportedly affiliated with the PFLP entered a Jerusalem synagogue and attacked Israelis with guns, knives, and axes, killing five people – including three U.S. citizens – and injuring 12. In May 2014, Jerusalem police arrested three suspects, one of

whom was affiliated with the PFLP, on suspicion of plotting an attack in East Jerusalem; and in December 2014, the PFLP claimed responsibility for several rocket attacks along the Lebanese-Israeli border.

In August 2016, the Abu Ali Mustafa Brigades – the military wing of PFLP – fired a rocket at the Israeli town of Sderot. No casualties or damages were reported.

Strength: Unknown

Location/Area of Operation: Gaza, Israel, Lebanon, Syria, and the West Bank.

Funding and External Aid: Unknown

POPULAR FRONT FOR THE LIBERATION OF PALESTINE-GENERAL COMMAND

aka PFLP-GC

Description: The Popular Front for the Liberation of Palestine-General Command (PFLP-GC) was designated as a Foreign Terrorist Organization on October 8, 1997. The PFLP-GC split from the Popular Front for the Liberation of Palestine (PFLP) in 1968, claiming it wanted to focus more on resistance and less on politics. Originally, the group was violently opposed to the Arafat-led Palestinian Liberation Organization. Ahmad Jibril, a former captain in the Syrian Army, has led the PFLP-GC since its founding. The PFLP-GC is closely tied to both Syria and Iran.

Activities: The PFLP-GC carried out dozens of attacks in Europe and the Middle East during the 1970s and 1980s. The organization was known for cross-border terrorist attacks into Israel using unusual means, such as hot-air balloons and motorized hang gliders. Since the early 1990s, the group has primarily focused on supporting Hizballah's attacks against Israel, training members of other Palestinian terrorist groups, and smuggling weapons. The PFLP-GC maintained an armed presence in several Palestinian refugee camps, at its own military bases in Lebanon, and along the Lebanon-Syria border. In recent years, the PFLP-GC has been implicated by Lebanese security officials in several rocket attacks against Israel. In 2009, the group was responsible for wounding two civilians in an armed attack in Nahariyya, Northern District, Israel. In 2011, the PFLP-GC Jihad Jibril Brigades targeted Israeli communities in Eshkolot, Southern District, Israel, in a March 20 rocket attack. The attack caused no injuries or damage.

In November 2012, PFLP-GC claimed responsibility for a bus bombing in Tel Aviv that injured 29 people, although four Palestine Islamic Jihad and Hamas operatives were later arrested for being behind the attack. In 2015, the PFLP-GC reportedly began fighting alongside the Assad regime in Syria, while also receiving logistical and military aid from Hizballah and Iran.

Separately, in December 2015, the PFLP-GC took responsibility for rocket fire aimed at Israeli territory. The attack, in which at least three rockets were fired from Lebanon into northern Israel, landed near Shlomi, a small town near the Lebanese border. Although the PFLP-GC did

not carry out any attacks in 2016, the group remained an active participant in the Syrian conflict and took part in the battle against ISIS for control of the Yarmouk refugee camp in Damascus.

Strength: Several hundred members

Location/Area of Operation: Political leadership is headquartered in Damascus, with bases in southern Lebanon and a presence in the Palestinian refugee camps in Lebanon and Syria. The group also maintains a small presence in Gaza.

Funding and External Aid: The PFLP-GC receives safe haven and logistical and military support from Syria and financial support from Iran.

AL-QA'IDA

aka al-Qa'eda; Qa'idat al-Jihad (The Base for Jihad); formerly Qa'idat Ansar Allah (The Base of the Supporters of God); the Islamic Army; Islamic Salvation Foundation; The Base; The Group for the Preservation of the Holy Sites; The Islamic Army for the Liberation of the Holy Places; the World Islamic Front for Jihad Against Jews and Crusaders; the Usama Bin Laden Network; the Usama Bin Laden Organization; al-Jihad; the Jihad Group; Egyptian al-Jihad; Egyptian Islamic Jihad; New Jihad

Description: Designated as a Foreign Terrorist Organization on October 8, 1999, al-Qa'ida (AQ) was established in 1988. The group helped finance, recruit, transport, and train violent Sunni Islamist extremists for the Afghan resistance against the former Soviet Union. AQ strives to eliminate Western influence and presence from the Muslim world, topple "apostate" governments of Muslim countries, and establish a pan-Islamic caliphate governed by its own interpretation of Sharia law that would ultimately be at the center of a new international order. These goals remain essentially unchanged since the group's 1996 public declaration of war against the United States. AQ leaders issued a statement in February 1998 under the banner of "The World Islamic Front for Jihad against the Jews and Crusaders," saying it was the duty of all Muslims to kill U.S. citizens – civilian and military – and their allies everywhere. AQ merged with al-Jihad (Egyptian Islamic Jihad) in June 2001. Many AQ leaders have been killed in recent years, including Usama bin Laden in May 2011. AQ's leader Ayman al-Zawahiri remained at-large in 2016.

Activities: AQ and its supporters conducted three bombings targeting U.S. troops in Aden in December 1992, and claimed responsibility for shooting down U.S. helicopters and killing U.S. soldiers in Somalia in 1993. AQ also carried out the August 1998 bombings of the U.S. Embassies in Nairobi and Dar es Salaam, killing up to 300 individuals and injuring more than 5,000. In October 2000, AQ conducted a suicide attack on the USS Cole in the port of Aden, Yemen, with an explosive-laden boat, killing 17 U.S. Navy sailors and injuring 39 others.

On September 11, 2001, 19 AQ members hijacked and crashed four U.S. commercial jets – two into the World Trade Center in New York City, one into the Pentagon, and the last into a field in Shanksville, Pennsylvania. Nearly 3,000 civilians, police, and first responders were killed. The dead included U.S. and foreign citizens from at least 77 countries.

In a December 2011 video, al-Zawahiri claimed AQ was behind the kidnapping of U.S. aid worker Warren Weinstein in Pakistan. Weinstein was held captive until his death in January 2015.

In February 2014, AQ removed ISIS as an AQ-affiliate. In September 2014, al-Zawahiri and other AQ leaders announced the establishment of Pakistan-based al-Qa'ida in the Indian Subcontinent (AQIS). Two days after the announcement, two Pakistani warships were attacked in Karachi; AQIS claimed responsibility for the plot, which included commandeering missile systems to attack nearby U.S. warships. AQIS claimed the orders came from al-Zawahiri.

In September 2015, five senior AQ leaders were released from Iranian custody in exchange for an Iranian diplomat kidnapped in Yemen. Of the five, Saif al Adel and Abu Mohammed al Masri are wanted for the August 1998 U.S. Embassy bombings in Kenya and Tanzania; al Adel and Abu Mohammed al Masri were experienced operational planners.

In January 2016, AQ leader Ayman al-Zawahiri publicly released two audio messages and one seven-page statement, condemning the Government of Saudi Arabia and its role in the Syria conflict, encouraging AQ activity in Southeast Asia – especially Indonesia, Malaysia, and the Philippines, and acknowledging support for its affiliate in Syria, al-Nusrah Front. On October 3, Abu al-Faraj al-Masri, one of AQ's most senior leaders, involved in planning AQ external attacks, was killed in Syria. As of September, AQ leaders and members were active in at least seven provinces in Afghanistan.

Strength: In South Asia, AQ's core has been seriously degraded. The death or arrest of dozens of mid- and senior-level AQ operatives, including bin Laden in May 2011, have disrupted communication, financial support, facilitation nodes, and a number of terrorist plots. AQ, however, remains a focal point of "inspiration" for a worldwide network of affiliated groups – al-Qa'ida in the Arabian Peninsula (AQAP), al-Qa'ida in the Islamic Maghreb (AQIM), al-Nusrah Front, al-Shabaab, and AQIS – and other violent Sunni Islamist extremist groups, including the Islamic Movement of Uzbekistan, Islamic Jihad Union, Lashkar i Jhangvi, Harakat ul-Mujahideen, and Jemaah Islamiya. The Tehrik-e Taliban Pakistan and the Haqqani Network also have ties to AQ. In addition, supporters and associates worldwide "inspired" by the group's ideology may operate without direction from AQ central leadership.

Location/Area of Operation: AQ was based in Afghanistan until Coalition Forces removed the Afghan Taliban from power in late 2001. Subsequently, the group's core leadership was largely based in Pakistan's Federally Administered Tribal Areas. AQ affiliates – al-Nusrah Front, AQAP, AQIM, al-Shabaab, and AQIS – operate in Syria and Lebanon, Yemen, the Trans-Sahara, Somalia, and the Indian subcontinent, respectively.

Funding and External Aid: AQ primarily depends on donations from like-minded supporters, as well as from individuals who believe that their money is supporting a humanitarian cause. Some funds are diverted from Islamic charitable organizations.

AL-QA'IDA IN THE ARABIAN PENINSULA

aka al-Qa'ida in the South Arabian Peninsula; al-Qa'ida in Yemen; al-Qa'ida of Jihad Organization in the Arabian Peninsula; al-Qa'ida Organization in the Arabian Peninsula; Tanzim Qa'idat al-Jihad fi Jazirat al-Arab; AQAP; AQY; Ansar al-Shari'a

Description: Al-Qa'ida in the Arabian Peninsula (AQAP) was designated as a Foreign Terrorist Organization on January 19, 2010. In January 2009, the now-deceased leader of al-Qa'ida in Yemen (AQY), Nasir al-Wahishi, publicly announced that Yemeni and Saudi al-Qa'ida (AQ) operatives were working together under the banner of AQAP. The announcement signaled the rebirth of an AQ franchise that previously carried out attacks in Saudi Arabia. AQAP's self-stated goals are to establish a caliphate and Sharia law in the Arabian Peninsula and the wider Middle East.

Activities: AQAP has claimed responsibility for numerous terrorist acts against both internal and foreign targets since its inception in January 2009, including a March 2009 suicide bombing against South Korean tourists in Yemen and the December 25, 2009, attempted attack on Northwest Airlines Flight 253 from Amsterdam to Detroit, Michigan. In October 2010, AQAP claimed responsibility for a foiled plot to send explosive-laden packages to the United States via cargo planes. The parcels were intercepted in the United Kingdom and in the United Arab Emirates.

AQAP, operating under the alias Ansar al-Shari'a (AAS), carried out a May 2012 suicide bombing in Sana'a that killed 96 people. Also in May 2012, press reported that AQAP allegedly planned to detonate a bomb aboard a U.S.-bound airliner using an improvised explosive device.

In September 2014, AQAP launched two rocket attacks against the U.S. Embassy in Sana'a. The second attack injured multiple embassy security guards. Also in 2014, AQAP attempted attacks against the U.S. and British Ambassadors to Yemen, and carried out a strike on the Iranian ambassador's residence in Sana'a that killed one guard and two pedestrians.

In January 2015, brothers Cherif and Said Kouachi attacked the satirical newspaper *Charlie Hebdo* in Paris, France, killing 12 people. One of the brothers, who had traveled to Yemen in 2011 and met with now-deceased Anwar al-Aulaqi, claimed the attack on behalf of AQAP. AQAP later formally claimed responsibility.

Also in 2015, AQAP took advantage of Yemen's deteriorating political and economic environment after the Yemeni government was overthrown by Houthi rebels in January. The United States and several other countries closed their embassies in February amid the violence. In April, AQAP stormed the city of Mukalla, seizing control of government buildings, releasing terrorists from prison, and stealing millions from the central bank. From 2015 into 2016, AQAP consolidated its control over Mukalla and expanded its reach through large portions of Yemen's south.

In early 2016, AQAP swept through southern Yemen, gaining control of al-Hawta, Azzan, and Habban in Lahij Governorate, and Mahfad and Ahwar in Abyan Governorate. By February

2016, AQAP controlled most of Yemen's southeastern coast. Although the group lost control of Mukalla in April, when the port city was retaken by forces backed by the Saudi-led Coalition, these territorial losses are not believed to have significantly degraded AQAP's capabilities, although they did deprive the group of an important source of income.

AQAP also attempted to carry out multiple attacks targeting Yemeni government and security forces. In June 2016, Yemeni authorities foiled an attack targeting the local administrative headquarters in Mukalla after discovering a car laden with explosives before the operative could carry out the attack. In July, two car bombs targeting security checkpoints outside Mukalla killed at least nine Yemeni soldiers and wounded many others.

Strength: AQAP is estimated to have up to four thousand members.

Location/Area of Operation: Yemen

Funding and External Aid: AQAP's funding has historically come from theft, robberies, and kidnap-for-ransom operations; and donations from like-minded supporters. After seizing Mukallah in April 2015, the group had access to additional sources of revenue, including the millions it stole from the central bank. This access continued until Mukallah was retaken by government forces in April 2016.

AL-QA'IDA IN THE INDIAN SUBCONTINENT (AQIS)

aka al-Qaeda in the Indian Subcontinent; Qaedat al-Jihad in the Indian Subcontinent

Description: On July 1, 2016, the Department of State designated al-Qa'ida in the Indian Subcontinent (AQIS) as a Foreign Terrorist Organization (FTO). AQIS is an affiliate of al-Qa'ida that focuses on terrorist activity in Bangladesh, India, and Pakistan. Its leader is Asim Umar, a former member of the FTO Harakat ul-Mujahidin.

Activities: AQIS claimed responsibility for the September 6, 2014, attack on a naval dockyard in Karachi, in which militants attempted to hijack a Pakistani Navy frigate. AQIS has also claimed attacks against activists and writers in Bangladesh, including U.S. citizen Avijit Roy, U.S. Embassy local employee Xulhaz Mannan, and Bangladeshi nationals Oyasiqur Rahman Babu, Ahmed Rajib Haideer, and A.K.M. Shafiul Islam.

Strength: Total membership is unknown.

Location/Area of Operations: Primarily Afghanistan and Pakistan, with elements operating in Bangladesh and India.

Funding and External Aid: AQIS likely receives funding from al-Qa'ida senior leadership and engages in general criminal activity, kidnapping, and extortion.

AL-QA'IDA IN THE ISLAMIC MAGHREB

aka AQIM; GSPC; Le Groupe Salafiste Pour la Predication et le Combat; Salafist Group for Preaching and Combat; Salafist Group for Call and Combat; Tanzim al-Qa'ida fi Bilad al-Maghrib al-Islamiya

Description: The Salafist Group for Call and Combat (GSPC) was designated as a Foreign Terrorist Organization on March 27, 2002. The Department of State amended the GSPC designation on February 20, 2008, after the GSPC officially joined with al-Qa'ida (AQ) in September 2006 and became al-Qa'ida in the Islamic Maghreb (AQIM). Although AQIM remains largely a regionally-focused terrorist group, it has adopted a more anti-Western rhetoric and ideology, and has aspirations of overthrowing "apostate" African regimes and creating an Islamic state. Abdelmalek Droukdel, aka Abu Mus'ab Abd al-Wadoud, is the group's leader.

Activities: Following AQIM's 2007 bombing of the UN headquarters building and an Algerian government building in Algiers, which killed 60 people, AQIM's northern leadership was largely contained to the mountainous region of northeastern Algeria, while the group's southern battalions focused mostly on its kidnapping-for-ransom efforts. In 2011 and 2012, however, AQIM took advantage of the deteriorating security situation across Libya, Mali, and Tunisia to plan and conduct expanded operations. Militants with ties to AQIM were involved in the September 11, 2012, attack on U.S. facilities in Benghazi that killed then-U.S. Ambassador to Libya J. Christopher Stevens and three other Embassy staff members. In April 2014, AQIM killed 14 Algerian soldiers in an ambush on a convoy in mountains to the east of Algiers, one of the deadliest attacks on the Algerian military in several years. AQIM also claimed responsibility for the May 27, 2014, attack on the house of Tunisia's interior minister, Lotfi Ben Jeddou.

In January 2015, AQIM claimed responsibility for an attack on a UN vehicle in Kidal, which wounded seven peacekeepers. Also in 2015, AQIM twice attacked UN convoys near Timbuktu with small arms and rocket-propelled grenades; three peacekeepers were killed in a May attack and six in a July attack. In November 2015, AQIM, in cooperation with other terrorist groups, attacked the Radisson Blu Hotel in Bamako, Mali, taking more than 170 people hostage, including U.S. citizens. As many as 27 people were killed in the attack; one of those killed was an U.S. international development worker.

In January 2016, AQIM carried out an attack on a hotel in Burkina Faso, resulting in 28 deaths and another 56 injuries. In March, AQIM claimed responsibility for a strike on a popular tourist beach resort in Cote d'Ivoire; at least 16 people were killed and another 33 were injured.

AQIM has also continued to conduct kidnapping-for-ransom operations. Its targets have historically been Western citizens from governments or third parties that have established a pattern of making concessions in the form of ransom payments for the release of individuals in custody. In November 2014, AQIM released a video of two Western hostages, a Dutch and a French national, who were later released in December 2014.

In June 2015, AQIM published a video featuring one Swedish and one South African hostage who continued to be held captive since they were kidnapped in Timbuktu in 2011. In 2016, there was no news of their release.

Strength: AQIM has several hundred fighters operating in Algeria and the Sahel, including remote regions of northern Mali and southwest Libya. Since the French intervention in northern Mali, AQIM's safe haven in northern Mali is less tenable for the organization and elements have moved to remote regions of northern Mali or to southwestern Libya. AQIM is attempting to reorganize in the wake of setbacks inflicted upon it by the combined French and African forces.

Location/Area of Operation: Southern and Eastern Algeria (including isolated parts of the Kabylie region), Burkina Faso, Cote D'Ivoire, Libya, northern Mali, Niger, and Tunisia.

Funding and External Aid: AQIM members engage in kidnapping-for-ransom and criminal activities to finance their operations. AQIM also successfully fundraises globally, and received limited financial and logistical assistance from supporters residing in Western Europe.

REAL IRA

aka RIRA; Real Irish Republican Army; 32 County Sovereignty Committee; 32 County Sovereignty Movement; Irish Republican Prisoners Welfare Association; Real Oglaigh Na hEireann

Description: The Real Irish Republican Army (RIRA) was designated as a Foreign Terrorist Organization on May 16, 2001. The group was formed in 1997 as the clandestine armed wing of the 32 County Sovereignty Movement, a "political pressure group" dedicated to removing British forces from Northern Ireland and unifying Ireland. The RIRA has historically sought to disrupt the Northern Ireland peace process and did not participate in the September 2005 weapons decommissioning. In September 1997, the 32 County Sovereignty Movement opposed Sinn Fein's adoption of the Mitchell principles of democracy and non-violence. Despite internal rifts and calls by some jailed members, including the group's founder Michael "Mickey" McKevitt, for a cease-fire and disbandment, the RIRA has pledged additional violence and continues to conduct attacks.

Activities: Many RIRA members are former Provisional Irish Republican Army members who left the organization after that group renewed its ceasefire in 1997. These members brought an extensive experience in terrorist tactics and bomb-making to the group. Targets have included civilians (the most notorious example is the Omagh bombing in August 1998), British security forces, and police officers in Northern Ireland. The Independent Monitoring Commission, which oversees the peace process, assessed that RIRA members were likely responsible for the majority of the shootings and assaults that occurred post-Irish Republican Army (IRA)-decommissioning in Northern Ireland.

In May 2015, Irish police carried out 20 searches aimed at known dissident republicans across Ireland. Six individuals with links to RIRA and Continuity Irish Republican Army (CIRA) were arrested after police discovered explosive devices and components. In spring 2016, the RIRA

bombed the van of an Irish prison officer in East Belfast; the officer died from complications following the attack. Dublin police also linked the RIRA to an explosives cache they found in Dublin in April.

Strength: According to the Irish government, the RIRA has approximately 100 active members. The organization may receive limited support from IRA hardliners and Republican sympathizers who are dissatisfied with the IRA's continuing ceasefire and with Sinn Fein's involvement in the peace process.

Location/Area of Operation: Great Britain including Northern Ireland and the Republic of Ireland

Funding and External Aid: The RIRA is suspected of receiving funds from sympathizers in the United States and of attempting to buy weapons from U.S. gun dealers. The RIRA reportedly purchased sophisticated weapons from the Balkans and occasionally collaborated with the CIRA.

REVOLUTIONARY ARMED FORCES OF COLOMBIA

aka FARC; Fuerzas Armadas Revolucionarias de Colombia

Description: Designated as a Foreign Terrorist Organization on October 8, 1997, the Revolutionary Armed Forces of Colombia (FARC) is Latin America's oldest, largest, and best-equipped terrorist organization. The FARC, founded in the 1960s, is responsible for large numbers of kidnappings-for-ransom in Colombia and, in past years, has held as many as 700 hostages. A Colombian military offensive targeting key FARC units and leaders degraded its capacity and halved the FARC's numbers to approximately 7,000. After four years of negotiation in Havana, Cuba, a peace agreement was crafted which, after an unsuccessful plebiscite and further negotiation, was approved by Colombia's Congress on November 30, 2016, which put in motion a six-month disarmament, demobilization, and reintegration process. In accordance with the peace agreement, the FARC began to demobilize in early December under UN supervision.

Activities: Over the years, the FARC has perpetrated a large number of high profile terrorist acts, including the 1999 murder of three U.S. missionaries working in Colombia, and multiple kidnappings and assassinations of Colombian government officials and civilians. In July 2008, the Colombian military conducted a dramatic rescue of 15 high-value FARC hostages including U.S. Department of Defense contractors Marc Gonsalves, Keith Stansell, and Thomas Howe, who were held captive for more than five years, along with former Colombian presidential candidate Ingrid Betancourt.

In 2016, there were no significant attacks by the FARC, but there have been reports of continued extortion and threats against local officials.

Strength: Approximately 7,000 members, with several thousand additional supporters.

Location/Area of Operation: FARC leaders and combatants are located in Colombia and have been known to use neighboring countries for weapons sourcing and logistical planning.

Funding and External Aid: In 2016, the FARC was primarily funded by extortion and the international drug trade.

REVOLUTIONARY PEOPLE'S LIBERATION PARTY/FRONT

aka DHKP/C; Dev Sol; Dev Sol Armed Revolutionary Units; Dev Sol Silahli Devrimci Birlikleri; Dev Sol SDB; Devrimci Halk Kurtulus Partisi-Cephesi; Devrimci Sol; Revolutionary Left

Description: Designated as a Foreign Terrorist Organization on October 8, 1997, the Revolutionary People's Liberation Party/Front (DHKP/C) was originally formed in 1978 as Devrimci Sol, or Dev Sol, a splinter faction of Dev Genc (Revolutionary Youth). It was renamed in 1994 after factional infighting. "Party" refers to the group's political activities, while "Front" is a reference to the group's militant operations. The group advocates a Marxist-Leninist ideology and opposes the United States, the North Atlantic Treaty Organization (NATO), and Turkish establishments. It strives to establish a socialist state and to abolish Turkish prisons.

Activities: Since the late 1980s, the group has primarily targeted current and retired Turkish security and military officials. In 1990, the group began to conduct attacks against foreign interests, including against U.S. military and diplomatic personnel and facilities. The DHKP/C assassinated two U.S. military contractors and wounded a U.S. Air Force officer in the 1990s, and bombed more than 20 U.S. and NATO military, diplomatic, commercial, and cultural facilities. DHKP/C added suicide bombings to its repertoire in 2001, with attacks against Turkish police in January and September of that year. Since the end of 2001, DHKP/C has typically used improvised explosive devices (IEDs) against official Turkish and U.S. targets of opportunity.

The DHKP/C was dealt a major ideological blow when its leader, Dursun Karatas died in August 2008. After the loss of its leader, the DHKP/C reorganized in 2009 and was reportedly in competition with the Kurdistan Workers' Party for influence in Turkey and with the Turkish diaspora in Europe.

The group was responsible for a number of high profile attacks in 2012 that included a suicide bombing of a police station in Istanbul. This tactic continued in 2013 when, on February 1, a DHKP/C operative exploded a suicide vest inside the employee entrance to the U.S. Embassy in Ankara. The explosion killed a Turkish guard and seriously wounded a visiting Turkish journalist. In March 2013, three members of the group attacked the Ministry of Justice and the Ankara headquarters of the Turkish Justice and Development political party using grenades and rocket launchers. The DHKP/C claimed a similar attack in September 2013, when two members of the group fired rockets at the Turkish National Police headquarters and a police guesthouse. In March 2014, the DHKP/C also claimed a shooting at a protest that left one man dead.

In 2015, the DHKP/C claimed responsibility for a suicide bombing that killed a police officer and wounded another. In March, Turkish prosecutor Mehmet Selim Kiraz was taken hostage and killed from multiple gunshot wounds by the DHKP/C after police attempted to rescue him. In August, two women opened fire on the U.S. Consulate in Istanbul; one woman was identified as a member of the DHKP/C. On March 3, 2016, two DHKP/C militants attacked a police vehicle in Istanbul, wounding two officers.

Strength: Membership includes an estimated several dozen members inside Turkey, with a support network throughout Europe.

Location/Area of Operation: Turkey, primarily in Adana, Ankara, Istanbul, and Izmir. Other members live and plan operations in European countries.

Funding and External Aid: The DHKP/C finances its activities chiefly through donations and extortion. The group raises funds primarily in Europe.

REVOLUTIONARY STRUGGLE

aka RS; Epanastatikos Aghonas; EA

Description: Designated as a Foreign Terrorist Organization on May 18, 2009, Revolutionary Struggle (RS) is a radical leftist group with Marxist ideology that has conducted attacks against both Greek and U.S. targets in Greece. RS emerged in 2003 following the arrests of members of the Greek leftist groups 17 November and Revolutionary People's Struggle.

Activities: RS first gained notoriety when it claimed responsibility for the September 5, 2003, bombings at the Athens Courthouse during the trials of 17 November members. From 2004 to 2006, RS carried out a number of improvised explosive device attacks, including a March 2004 attack outside of a Citibank office in Athens. RS claimed responsibility for the January 12, 2007, rocket-propelled grenade (RPG) attack on the U.S. Embassy in Athens, which damaged the building; and the March 2009 bombing of a Citibank branch in Athens. In September 2009, RS also claimed responsibility for a car bomb attack on the Athens Stock Exchange, which caused widespread damage and injured a passerby.

The Greek government has made significant strides in curtailing RS' terrorist activity. On April 10, 2010, Greek police arrested six suspected RS members, including purported leader Nikos Maziotis, who later escaped. In addition to the arrests, the Greek raid resulted in the seizure of a RPG launcher, possibly the one used against the U.S. Embassy in Athens in the 2007 attack. On April 3, 2013, five members of RS were convicted by an Athens appeals court, three of them receiving maximum prison sentences. Maziotis and another accused RS conspirator, Paula Roupa, were convicted in absentia. Prior to Maziotis's recapture (following a gunfight with police on July 16, 2014), RS conducted a bomb attack outside a Bank of Greece office in Athens in April 2014; the blast caused extensive damage to surrounding structures but no casualties.

In March 2016, a Greek court sentenced Maziotis to life in prison plus 129 years and a fine of 20,000 Euros (US $21,750). Roupa was sentenced in absentia to 11 years in prison on misdemeanor charges; she will stand trial on felony charges upon capture. Greek authorities suspect she was involved in a September 2016 bank robbery in Malesina, Greece.

Strength: Unknown

Location/Area of Operation: Athens, Greece

Funding and External Aid: Unknown, but the group most likely supports itself through criminal activities, including bank robbery.

AL-SHABAAB

aka The Harakat Shabaab al-Mujahidin; al-Shabab; Shabaab; the Youth; Mujahidin al-Shabaab Movement; Mujahideen Youth Movement; Mujahidin Youth Movement

Description: Al-Shabaab was designated as a Foreign Terrorist Organization on March 18, 2008. Al-Shabaab was the militant wing of the former Somali Islamic Courts Council that took over parts of southern Somalia during the second half of 2006. Since the end of 2006, al-Shabaab and associated militias have undertaken a violent insurgency using guerrilla warfare and terrorist tactics against the transitional governments of Somalia. In 2016, the group continued to fight to discredit and destabilize the Federal Government of Somalia.

Al-Shabaab is an official al-Qa'ida (AQ) affiliate and has ties to other AQ affiliates, including al-Qa'ida in the Arabian Peninsula and al-Qa'ida in the Islamic Maghreb. The group's leader is Ahmed Diriye aka Ahmed Umar aka Abu Ubaidah.

Al-Shabaab is composed of a mixture of Somali recruits and foreign terrorist fighters. Since 2011, al-Shabaab has seen its military capacity reduced due to the efforts of the African Union Mission in Somalia (AMISOM) and Somali forces, and clashes – some violent – within the group itself. Despite al-Shabaab's loss of urban centers since 2012, the group was able to maintain its hold on large sections of rural areas in south-central Somalia in 2016 and conducted multiple attacks in Somalia and Kenya.

Activities: Al-Shabaab has used intimidation and violence to exploit divisions in Somalia and undermine the country's Federal Government, recruit new fighters, and kill activists working to bring about peace through political dialogue and reconciliation. The group has claimed responsibility for several high profile bombings and shootings throughout Somalia targeting AMISOM troops and Somali officials. Al-Shabaab fighters and others claiming allegiance to the group have assassinated numerous civil society figures, government officials, journalists, international aid workers, and members of non-governmental organizations.

Al-Shabaab was responsible for the July 11, 2010, suicide bombings in Kampala, Uganda – its first attack outside of Somalia. The attack, which took place during the World Cup, killed nearly 76 people, including one U.S. citizen. In September 2013, al-Shabaab again expanded its area of

operations when it staged a significant attack against the Westgate Mall in Nairobi, Kenya. The siege resulted in the deaths of at least 65 civilians, including foreign nationals from 13 countries and six soldiers and police officers; hundreds of others were injured. In April 2015, al-Shabaab carried out a raid with small arms and grenades on Kenya's Garissa University College that left nearly 150 people dead.

In February 2016, al-Shabaab attempted to down Daallo Airlines Flight 321 with 74 passengers on board. Only the suicide bomber was killed and the plane made an emergency landing in Mogadishu shortly after take-off due to an explosion that created a large hole in the fuselage near the wing. Al-Shabaab killed 10 people in May when members of the group set off a car bomb outside a hotel in Mogadishu. In August, al-Shabaab claimed a double suicide bombing in Galkayo, Somalia, that killed at least 20 people. Al-Shabaab carried out a series of raids in northeast Kenya in October, including one attack that killed at least 12 people at a guesthouse in Mandera, and in November, the group claimed responsibility for a car bombing targeting an army convoy near Parliament in Mogadishu that killed at least two soldiers and injured another five.

Strength: Al-Shabaab is estimated to have several thousand members.

Location/Area of Operation: Al-Shabaab has lost full control of significant areas of territory. In September 2012, the group lost control of Kismayo, a vital port it used to obtain supplies and funding through taxes. In October 2014, al-Shabaab lost another strategic port in Baraawe to AMISOM and Somali troops. In 2015, an AMISOM offensive forced the group out of two of its strongholds of Dinsoor and Bardaheere and killed up to 100 personnel. Despite these losses, throughout 2016, al-Shabaab continued to control large swaths of rural areas in the middle and lower Juba regions, as well as the Bakol, Bay, and Shabelle regions. The group also maintained its presence in northern Somalia along the Golis Mountains and within Puntland's larger urban areas, and launched several attacks against targets in the border regions of Kenya.

Funding and External Aid: While al-Shabaab has seen its income diminish due to the loss of the strategic port cities of Baraawe, Kismayo, and Merka, it has received enough income to launch multiple attacks per week in Mogadishu, launch complex attacks against AMISOM bases, and expand operations against civilian aviation targets. Al-Shabaab obtained funds through illegal charcoal production and exports, and taxation of local populations and businesses.

Because al-Shabaab is a multi-clan entity, it reportedly receives donations from individuals in the Somali diaspora; the donations are not always intended to support terrorism, however, but also to support family members.

SHINING PATH

aka SL; Sendero Luminoso; Ejercito Guerrillero Popular (People's Guerrilla Army); EGP; Ejercito Popular de Liberacion (People's Liberation Army); EPL; Partido Comunista del Peru (Communist Party of Peru); PCP; Partido Comunista del Peru en el Sendero Luminoso de Jose Carlos Mariategui (Communist Party of Peru on the Shining Path of Jose Carlos Mariategui); Socorro Popular del Peru (People's Aid of Peru); SPP

Description: The Shining Path (Sendero Luminoso or SL) was designated as a Foreign Terrorist Organization on October 8, 1997. The Peru-based terrorist organization was formed in the late 1960s by former university professor Abimael Guzman, whose teachings created the foundation of SL's militant Maoist doctrine. In the 1980s, SL was one of the most ruthless terrorist groups in the Western Hemisphere. In 1992, the Peruvian government captured Guzman who remains, along with key accomplices, in prison serving a life sentence. The group is now led by brothers Victor and Jorge Quispe Palomino along with SL leader Tarcela Loya Vilchez. Under their direction, the group aims to overthrow the Peruvian government and names the United States a principal enemy.

SL's area of activity and influence is mostly confined to the remote special military emergency zone known as the Apurimac, Ene, and Mantaro River Valley (VRAEM). SL is involved in all logistical aspects of drug trafficking in the VRAEM area.

Activities: SL committed 13 terrorist attacks in 2015, in comparison to 20 terrorist acts in 2014 and 49 in 2013. In 2016, SL terrorist attacks declined. On April 9, the group struck a six-vehicle military caravan transporting election materials ahead of the country's April 10 election; eight soldiers and two civilian contractors were killed when SL members armed with long-range rifles and grenades attacked the caravan.

Strength: Estimates of SL's strength vary, but experts assess SL to number between 250 and 300 combatants.

Location/Area of Operation: Peru, with most activity taking place in rural areas, specifically the Apurimac, Ene, and Montaro River Valley of central Peru.

Funding and External Aid: SL is primarily funded by the illicit narcotics trade.

TEHRIK-E TALIBAN PAKISTAN

aka Pakistani Taliban; Tehreek-e-Taliban; Tehrik-e-Taliban; Tehrik-i-Taliban Pakistan; TTP

Description: Designated as a Foreign Terrorist Organization on September 1, 2010, Tehrik-e Taliban Pakistan (TTP) is a Pakistan-based terrorist organization formed in 2007 to oppose Pakistani military efforts in the Federally Administered Tribal Areas. Previously disparate tribal militants agreed to cooperate and eventually coalesced into TTP under the leadership of now deceased leader Baitullah Mehsud. TTP was led by Hakimullah Mehsud from August 2009 until his death in November 2013. Since Hakimullah Mehsud's death, TTP has been led by Mullah Fazlullah, former leader of TTP's chapter in the Swat area of Pakistan. Since Fazlullah became leader, TTP has been fraught with violent infighting. A rival faction led by Khan Said, a former TTP commander who previously clashed with Hakimullah, publicly split from TTP in May 2014, but has since rejoined. Separately, TTP entered into peace talks with the Pakistani government in early 2014, but the talks collapsed in June of that year. In October 2014, the chief spokesman and five regional commanders defected from TTP and publicly pledged allegiance to ISIS.

TTP aims to overthrow the Government of Pakistan by waging a terrorist campaign against the Pakistani military and state, as well as North Atlantic Treaty Organization forces in Afghanistan. TTP uses the tribal belt along the Afghanistan-Pakistan border to train and deploy its operatives, and has ties to al-Qa'ida (AQ). TTP draws ideological guidance from AQ, while AQ relies on TTP for safe haven in the Pashtun areas along the Afghanistan-Pakistani border. This arrangement gives TTP access to both AQ's global terrorist network and the operational expertise of its members.

Activities: TTP has carried out and claimed responsibility for numerous terrorist acts against Pakistani and U.S. interests, including a December 2009 suicide attack on a U.S. military base in Khowst, Afghanistan, which killed seven U.S. citizens; and an April 2010 suicide bombing against the U.S. Consulate in Peshawar, Pakistan, which killed six Pakistani citizens. TTP is suspected of being involved in the 2007 assassination of former Pakistani Prime Minister Benazir Bhutto. TTP directed and facilitated the failed attempt by Faisal Shahzad to detonate an explosive device in New York City's Times Square on May 1, 2010.

Between 2011 and 2015, TTP continued to carry out attacks against the Government of Pakistan and civilian targets, as well as against U.S. targets in Pakistan. A series of suicide bombings and strikes in 2011 targeted civilians, Pakistani government and military targets, and an American consulate convoy. In 2012, TTP carried out attacks against a mosque, a police checkpoint, a Pakistani Air Force base, and a bus carrying Shia Muslims. In 2013, TTP attacked churches, the home of a government minister in Khyber-Pakhtunkhwa Province, and a Shia neighborhood in Karachi, Pakistan. TTP's attacks in 2013 killed and wounded hundreds of civilians and Pakistani government and law enforcement officials. In 2014, TTP targeted military and police convoys, bazaars, buses, and schools including two consecutive attacks against Karachi's international airport and a siege on a primary school in Peshawar, Pakistan that killed 145 people, 132 of whom were children. Throughout 2015, TTP focused many of its small-scale attacks on Pakistani government and law enforcement officials by targeting convoys, government buildings, motorcades, and police checkpoints. The group also bombed a Shia mosque near Peshawar and carried out suicide bombings at two churches in Lahore.

In 2016, the group continued carrying out attacks, claiming responsibility for a December attack that left the Deputy Superintendent of the police counterterrorism department dead and his son injured in an attack on their vehicle in Peshawar.

Strength: Several thousand

Location/Area of Operation: Pakistan and Afghanistan

Funding and External Aid: TTP is believed to raise most of its funds through kidnapping ransoms, criminal activity, and extortion.

Chapter 7
Legislative Requirements and Key Terms

Country Reports on Terrorism 2016 is submitted in compliance with Title 22 of the United States Code, Section 2656f (the "Act"), which requires the Department of State to provide Congress a full and complete annual report on terrorism for those countries and groups meeting the criteria of the Act. Statutory excerpts relating to the terms used in this report and a discussion of the interpretation and application of those terms in this report are included below.

Excerpts and Summary of Key Statutory Terms:

Section 2656f(a) of Title 22 of the United States Code states as follows:

(a) … The Secretary of State shall transmit to the Speaker of the House of Representatives and the Committee on Foreign Relations of the Senate, by April 30 of each year, a full and complete report providing -

(1) (A) detailed assessments with respect to each foreign country -

(i) in which acts of international terrorism occurred which were, in the opinion of the Secretary, of major significance;

(ii) about which the Congress was notified during the preceding five years pursuant to Section 2405(j) of the Export Administration Act of 1979; and

(iii) which the Secretary determines should be the subject of such report; and

(B) detailed assessments with respect to each foreign country whose territory is being used as a sanctuary for terrorist organizations;

(2) all relevant information about the activities during the preceding year of any terrorist group, and any umbrella group under which such terrorist group falls, known to be responsible for the kidnapping or death of an American citizen during the preceding five years, any terrorist group known to have obtained or developed, or to have attempted to obtain or develop, weapons of mass destruction, any terrorist group known to be financed by countries about which Congress was notified during the preceding year pursuant to section 2405(j) of the Export Administration Act of 1979, any group designated by the Secretary as a foreign terrorist organization under section 219 of the Immigration and Nationality Act (8 U.S.C. 1189), and any other known international terrorist group which the Secretary determines should be the subject of such report;

(3) with respect to each foreign country from which the United States Government has sought cooperation during the previous five years in the investigation or prosecution of an act of international terrorism against United States citizens or interests, information on -

(A) the extent to which the government of the foreign country is cooperating with the United States Government in apprehending, convicting, and punishing the individual or individuals responsible for the act; and

(B) the extent to which the government of the foreign country is cooperating in preventing further acts of terrorism against United States citizens in the foreign country; and

(4) with respect to each foreign country from which the United States Government has sought cooperation during the previous five years in the prevention of an act of international terrorism against such citizens or interests, the information described in paragraph (3)(B).

Section 2656f(d) of Title 22 of the United States Code defines certain key terms used in Section 2656f(a) as follows:

(1) The term "international terrorism" means terrorism involving citizens or the territory of more than one country;

(2) The term "terrorism" means premeditated, politically motivated violence perpetrated against non-combatant targets by subnational groups or clandestine agents; and

(3) The term "terrorist group" means any group practicing, or which has significant subgroups which practice, international terrorism.

Interpretation and Application of Key Terms. For purposes of this report, the terms "international terrorism," "terrorism," and "terrorist group" have the definitions assigned to them in 22 USC 2656f(d) (see above). The term "non-combatant," which is referred to but not defined in 22 USC 2656f(d)(2), is interpreted to mean, in addition to civilians, military personnel (whether or not armed or on duty) who are not deployed in a war zone or a war-like setting.

It should be noted that 22 USC 2656f(d) is one of many U.S. statutes and international legal instruments that concern terrorism and acts of violence, many of which use definitions for terrorism and related terms that are different from those used in this report. The interpretation and application of defined and related terms concerning terrorism in this report is therefore specific to the statutory and other requirements of the report, and is not intended to express the views of the U.S. government on how these terms should be interpreted or applied for any other purpose. Accordingly, there is not necessarily any correlation between the interpretation of terms such as "non-combatant" for purposes of this report and the meanings ascribed to similar terms pursuant to the law of war (which encapsulates the obligations of states and individuals with respect to their activities in situations of armed conflict).

Statistical Information. Pursuant to 22 USC § 2656f(b), this report should contain "to the extent practicable, complete statistical information on the number of individuals, including United States citizens and dual nationals, killed, injured, or kidnapped by each terrorist group during the preceding calendar year." This is satisfied through the inclusion of a statistical annex to the report that sets out statistical information provided by the National Consortium for the Study of Terrorism and Responses to Terrorism (START), a Department of Homeland Security

Science and Technology Center of Excellence, based at the University of Maryland. The statistical annex includes a discussion of the methodology employed by START in compiling the relevant data. This report does not contain statistical information specifically concerning combatants. The focus of the terrorism report, as is clear from the definition of terrorism, is on violence against noncombatant targets.

Contextual Reporting. Adverse mention in this report of individual members of any political, social, ethnic, religious, or national population is not meant to imply that all members of that population are terrorists. Indeed, terrorists rarely represent anything other than a tiny fraction of such larger populations. It is terrorist groups – and their actions – that are the focus of this report.

Furthermore, terrorist acts are part of a larger phenomenon of violence inspired by a cause, and at times the line between the two can become difficult to draw. This report includes some discretionary information in an effort to relate terrorist events to the larger context in which they occur, and to give a feel for the conflicts that spawn violence.

Thus, this report will discuss terrorist acts as well as other violent incidents that are not necessarily "international terrorism" and therefore are not subject to the statutory reporting requirement.