

Hizballah's Canadian Procurement Network

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As recent events in Thailand, the former Soviet republic of Georgia, and India attest, Hizballah has built an extensive global network with operational capabilities to attack Western interests beyond the Middle East. This network relies for logistical and financial support on operatives and supporters living with Lebanese Shia diaspora communities around the world. U.S. intelligence reports indicate that Hizballah cells operate in Europe, Africa, South America, and North America.¹

Hizballah has leveraged its worldwide network of members, supporters and sympathizers to provide the group financial, logistical, and other types of support. Some members of this worldwide support network serve as agents in operations, but the vast majority of these sometimes formal, often informal, networks are called upon for another role. "The Hizballah fighter wakes up in the morning, drinks his coffee, takes a rocket out of his closet, goes to his neighbor's yard, sticks a clock timer on it, goes back home and then watches CNN to see where it lands," Lt. Col. Ishai Efroni, an Israeli deputy commander, noted in 2006. Procuring a variety of Hizballah's needs, from weapons to dual-use items like night vision goggles or in the case illustrated by Lt. Col. Efroni, a clock timer, is a critical component of the services provided by the group's global network. In Canada, Hizballah has long maintained a robust network of procurement agents able to purchase dual-use items on the open market and send them to Lebanon.

Hizballah Procurement Efforts

Since the July 2006 war, Hizballah's procurement program has taken on renewed importance, as the group has invested heavily in efforts to replenish its depleted stock of weapons and dual-use items. Speaking in December 2011, Hizballah secretary general Hassan Nasrallah underscored the group's

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procurement efforts. “We will never let go of our arms,” he said. “Our numbers are increasing day after day, and we are getting better and our training is becoming better and we are becoming more confident in our future and more armed. And if someone is betting that our weapons are rusting, we tell them that every weapon that rusts is replaced.”² Most of those items have been replaced by Iran, but Hizballah complements the financial and material support it receives from Iran with its own fundraising and procurement efforts abroad. An Israeli study of Hizballah highlighted the group’s procurement efforts worldwide:

Hizballah uses its apparatuses throughout the world not only to strengthen its operational capabilities for launching terrorist attacks, but also as a means of purchasing the advanced arms and equipment needed for the organization’s operational activities. To transact these purchases, Hizballah uses its operatives who reside outside Lebanon (either permanently or temporarily), “innocent” businesspeople (including Lebanese), and companies founded by the organization (some of which are front companies).³

According to a study on the group prepared for the United States Special Operations Command, “both U.S. and Canadian authorities track Hizballah’s procurement of proscribed high-tech military and other equipment.”⁴ And for good reason. North America has long served as base for a wide variety of Hizballah criminal enterprises, ranging from fundraising to recruiting to forging travel documents to procuring dual-use items for the group. An early example is Fawzi Musatapha Assi, who, after surrendering to U.S. authorities in 2004, pled guilty to charges of providing material support to a terrorist organization for his attempt to smuggle night vision goggles, a thermal imaging camera, and two global positioning modules to Hizballah. Assi was described by a senior Hizballah operative and procurement officer, Mohammed Dbouk, as “‘the guy’ for getting equipment on behalf of Hizballah until he got caught and fled the U.S. to Lebanon.” Dbouk, who had previously led a major procurement network in Canada but was now back in Lebanon, met Assi at the airport in Beirut to ensure Hizballah got the equipment he obtained.⁵

Procurement Efforts in Canada

Hizballah procurement activities in Canada are hardly a recent phenomenon; the group has built a significant pool of members, supporters and sympathizers in the country. Indeed, material that came to light during the immigration case of Mohammad Hussein al Husseini, who was ultimately ordered deported from Canada in 1994, highlighted Hizballah’s presence in Canada. Interviewed by Canadian security officials, al Husseini provided information not only on Hizballah attacks abroad but also on Hizballah’s

presence and activities in Canada. Asked if Hizballah maintained a presence in Montreal, he replied, "Yes, Hizballah has members in Montreal, Ottawa, Toronto—in all of Canada."⁶

In one early case, Hizballah recruited and trained a Lebanese-Canadian and known Hizballah supporter, Fawzi Mohammed Ayub, as an operative. In mid-2002 Israeli authorities conducting a search in Hebron arrested Ayub, who had entered the territories by sea using a forged American passport. In Ayub, Hizballah planners secured a Canadian passport, and a Hizballah veteran who had taken part in sensitive operations abroad in the past. Ayub immigrated to Canada in 1988, where he was welcomed by family members already there, and he became a Canadian citizen in 1992. While in Canada, Israeli officials claim, Ayub "maintained contact with senior Hizballah officials and carried out operations." Asked by an Israeli judge if he told Canadian authorities about previous charges of attempting to carry out an act of terrorism, Ayub replied: "They never asked."⁷ And he never told.

In a notable transnational procurement case, Mohammed Dbouk was indicted in U.S. federal court for his role in a Hizballah fundraising and dual-use procurement network operating in the United States and Canada. According to U.S. investigators, Dbouk was an Iranian-trained Hizballah operative and "an intelligence specialist and propagandist [who] was dispatched to Canada by Hizballah for the express purpose of obtaining surveillance equipment (video cameras and handheld radios and receivers) and military equipment (night-vision devices, laser range-finders, mine and metal detectors, and advanced aircraft analysis tools)."⁸ According to information collected by CSIS in the course of its investigation into Dbouk's activities in Canada—first in Montreal and then in Vancouver—Dbouk was acting under the direction of Hizballah's then-chief procurement officer, Haj Hassan Hilu Laqis, who was based in Lebanon.⁹

Under Dbouk's leadership, the Hizballah procurement network in Canada engaged in a long list of crimes and frauds, including passport fraud, credit card fraud, immigration fraud, use of counterfeit currency, and more. Hizballah wired tens of thousands of dollars from Lebanon to Canada to fund the purchases of dual-use items by Dbouk and others. Later, the Hizballah operatives based in Canada engaged in a large-scale credit card fraud scheme in which they purchased the items using fraudulent credit cards and charged Hizballah just half the original price of the wanted items.¹⁰

Dbouk solicited the assistance of an old friend from Lebanon, Said Harb, to help facilitate the purchase of dual-use equipment, and to test a scheme to use counterfeit credit cards to purchase these materials.¹¹ Harb described Dbouk to the FBI as "one of his (Harb's) closest friends."¹² At one time, to support the fraudulent credit card scheme, Harb owned twelve credit cards and three driver's licenses, each in different names. He used five distinct cell phone rings and a notebook of social security numbers and bank accounts to keep his many identities in order.

As it happened, Harb was already involved in a variety of criminal enterprises and frauds, some of which involved other members of a Hizballah fundraising support network in Charlotte, North Carolina. That ring raised funds for Hizballah primarily through cigarette smuggling and other criminal activities. Harb attended a weekly meeting in the homes of members of the Hizballah network in Charlotte at which Mohammed Hammoud, the group's leader, screened Hizballah videos—including some produced by Mohammed Dbouk—and then solicited funds for Hizballah. At these meetings the group also shared pointers and advice on how to carry out various types of criminal schemes. Harb personally carried money for Hammoud, and delivered it to a Hizballah military commander in Lebanon. Harb proved to be the linchpin between the fundraising schemes in Charlotte and procurement efforts in Vancouver. But it was his relationship with Dbouk that brought him to the attention of CSIS, which was already monitoring Dbouk's activities.¹³

Unprecedented cooperation between American and Canadian law enforcement and intelligence services led to the U.S. indictment of Mohammed Dbouk and others. Several indicators suggest Dbouk ranked as a significant Hizballah operative. For example, U.S. Attorney Robert Conrad, whose office successfully prosecuted the Hizballah case in Charlotte, testified before the U.S. Congress that according to human source intelligence (HUMINT), "Dbouk is such a major player in the Hizballah organization that on five separate occasions his application to be a martyr was rejected." Asked to explain why his application to be sent on a martyrdom mission (that is, a suicide or other mission from which he would be unlikely to return) was rejected, Conrad replied, "He was rejected five times because of his significance to the organization."¹⁴ With his intelligence, military training, and expertise in information operations, Hizballah officials apparently saw Dbouk as too valuable a commodity and too significant a player to expend on a martyrdom mission.

Moreover, Dbouk was valued for his inventive fundraising and procurement methods. In a particularly telling case, the Vancouver network discussed taking out a life insurance policy in Canada for a Hizballah operative who it appears was about to carry out a suicide attack targeting Israeli forces in Southern Lebanon. According to a wiretapped conversation with another member of his cell, which was summarized by Canadian intelligence, "Dbouk referred to a person down there [words redacted], who might in a short period of time go for a 'walk' [words redacted] and never come back, and wondering if Said [in Canada] could fix some papers and details [words redacted] for him (person) and put himself (Said) as the reference." Said wondered if the typical life insurance policy might not cover such a "thing" (i.e., a suicide or other kind of martyrdom mission), and "Dbouk countered that (suppose) the person was sitting in his village which was bombarded and got hit."¹⁵ Dbouk added that this is what the Lebanese death certificate would state. In other words, the Hizballah

network considered trying to take out a life insurance policy in Canada for a prospective Hizballah fighter in Lebanon who might be killed carrying out a suicide attack or otherwise engaging in combat from which he would not return. Concerned a Canadian insurance company would not honor the policy if the person were killed while fighting for the militia of a sub-state militant group designated by several countries as a terrorist group, Dbouk suggests a death certificate could be produced falsely claiming the person was a civilian killed while “sitting in his village.”

Other members of the network recognized Dbouk as a senior Hizballah operative, and were keenly aware that the dual-use items they were providing Hizballah were being used to improve the military capabilities of Hizballah's militia. For example, on February 28, 1999, Hizballah operatives set off two roadside bombs as an Israeli military convoy drove by in Southern Lebanon. An Israeli general was killed in the blast, along with two sergeants and a reporter. On hearing the news, Ali Amhaz, Dbouk's brother-in-law and a member of the Hizballah procurement network, contacted Dbouk congratulating him for role. According to the CSIS intercepts:

Ali Adham Amhaz informed Mohamed Hassan Dbouk that he was watching the latest news on today's operation involving Hizballah in southern Lebanon. Amhaz congratulated Dbouk for Hizballah's success and their improving ability which was making the Israelis retaliate for the attacks.

The connection between Dbouk's procurement activities and Hizballah's military prowess came to light again just a few days after this conversation, when Dbouk told his wife that he and Amhaz had visited a military supply warehouse in Vancouver, where they looked at “military supplies and instruments,” and got some catalogues.¹⁶

In early June 1999, Dbouk prepared for his return to Lebanon. Days before he left Canada, Dbouk was still laying plans for procurement efforts, and instructed Harb to buy credit cards and secure false passports and driver's licenses. When he was arrested in July 2000, Said Harb was interviewed by the FBI. At one point in the interview, Harb asked the interviewing agent to stop taking notes and said, “I know why you've done this to me and my family; you want Dbouk—you want Hizballah.”¹⁷

Indeed, while in Lebanon, Dbouk continued to oversee Hizballah procurement efforts in Canada. Back in Canada, three members of the Hizballah procurement network, now being run by Dbouk's brother-in-law Ali Amhaz, had a long discussion on October 31, 1999. One participant, Adnan Nouredine, appeared concerned that the group was still procuring items for Hizballah at the behest of Dbouk in Lebanon. In an apparent reference to Canadian law enforcement or intelligence, Nouredine told Amhaz, “They

know that Dbouk was related to you.... They are not stupid, and when you take lenses to (Lebanon) you are helping Hizballah who would use them in operations.”¹⁸

Conclusion

Canada’s strong position in industry, trade and finance make the country an attractive place to do business. But, as a 2011 report from the Canadian Security Intelligence Service stresses, “From a Canadian perspective, it is also important to know which countries may be seeking to use Canada for the acquisition of materials and technologies.”¹⁹ Unfortunately, the same attributes that make Canada an attractive place to engage in business and trade make it an attractive place to procure weapons and dual-use materials. This, combined with Hizballah’s long history in the country, make the need to focus on Hizballah procurement efforts in the country a priority. According to a 2006 assessment written by Canada’s Integrated Threat Assessment Centre (ITAC), Hizballah “has had a presence in Canada [redacted]. Its activities in Canada include fundraising, [redacted] collection and the procurement of equipment [redacted].”²⁰ Alongside these fundraising and procurement activities, Hizballah members “may reside in Canada to undertake activities such as intelligence collection,” according to a 2008 ITAC assessment.²¹

In fact, evidence suggests that Hizballah operatives in Canada may be involved in more than just intelligence and espionage. In June 2008, reports emerged that Hizballah activated suspected “sleeper cells” in Canada for the purpose of carrying out an attack to avenge the death four months earlier of Imad Mughniyeh, the chief of Hizballah’s external operations. According to this report, Canadian intelligence and law enforcement had some twenty suspects under surveillance. Moreover, “a known Hizballah weapons expert was followed to Canada, where he was seen at a firing range south of Toronto, near the U.S. border.”²² Nothing came of this threat reporting, possibly due to Canadian counterterrorism measures, but the following year a Canadian citizen and Hizballah operative was reportedly involved in one of three Hizballah plots foiled in Turkey.²³ The good news is that Canadian authorities appear to be keenly aware of the Hizballah threat. In light of Hizballah’s long history in the country, that is a good thing indeed.