

Status Report on Countering Terrorist Financing

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ABOUT THE AUTHORS



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Articles & Testimony

As events in Syria and Iraq convulse the region, the resultant humanitarian disaster and security nightmare have contributed to a reshaping of the terror finance environment.

The following is an excerpt from Dr. Levitt's testimony before the Canadian House of Commons Standing Committee on Finance and the Standing Senate Committee on National Security and Defence. To read the full testimony, [download the PDF](#).

Today, the wars in Syria and Iraq have given rise to new terrorist networks, including ISIS as well as al-Qaeda's al-Nusra Front and Khorasan Group. These increasingly connected conflicts have become a humanitarian and strategic catastrophe, threatening to tear the region apart along sectarian lines while injecting new oxygen into movements driven by violent Islamist ideologies, including but by no means limited to groups formally associated with al-Qaeda. The more horrific the actions the Assad regime takes against primarily Sunni Syrian civilians -- from chemical weapons to barrel bombings to using starvation as a tactic of war -- the greater the regime's magnetic appeal in drawing fellow Sunnis from around the world to defend their co-religionists and engage in an increasingly sectarian battle against the Alawite regime and its Shiite allies, Iran and Hezbollah.

As events in Syria and Iraq convulse the region, the humanitarian disaster and security nightmare that now defines the Middle East have contributed to a reshaping of the terror finance environment. Some things remain the same, such as the destabilizing role played by Iran in providing state sponsorship -- cash, arms, material support -- to terrorist groups, radical militias, and totalitarian regimes like that of Bashar al-Assad. In other areas, like terrorist abuse of the charitable sector, issues that had petered out have now become prominent once more. And still other, new means of raising, moving, and storing funds for illicit purposes have been developed to adapt to the needs of today's terrorist groups and operatives. Indeed, one of these is the financing trends of homegrown violent extremists, who may not officially belong to any established group as such. And the financing trends of different

groups, like al-Qaeda and the Islamic State, for example, can vary significantly. In this briefing, I've focused on three examples of these broader trends... ❖

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