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The Digital Revolution: Taking Action to Promote a Better World
Through Technology

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Topic: Preventing the Funding of Terrorist Organizations to Avoid Threatening to International Peace

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Introduction

The right way to supervise and control the flow of money to terrorist organizations has not been found yet. Terrorist organizations need some sort of funding to operate and set off their plans. Whether only one attack is planned or multiple, inevitably it requires fundings for weapons, travel, and the recruitment of supporters. The funding does not need to be huge but it is crucial and could be gathered by money laundering and other illegal ways. Illegal fundings can range from extortion and ransom to human trafficking and illegal weapons trading.

The financing of terrorism has gotten global attention since only a small amount of capital is necessary for large consequences. Since 1989, the United States and other UN member states have tried to stop the problem of state sponsored terrorism and government transfers to activists. State sponsored terrorism is the government's support of violent non-state actors in terrorism. According to the United States of America's State Sponsors of Terrorism, Cuba, DPRK, Iran, and Syria are the current states that sponsor terrorism. Nowadays, the flow of capital is harder to spot because of the fast evolution of technology and political/religious changes. The internet has made it easier and faster for terrorists to communicate and exchange, and activists have been taking advantage of cryptocurrencies and the Dark Web.

Not only the rapid growth of innovations and technology have been making this problem more burdening but the rise of new unstable governments that are not able to aggressively interfere, or rather tolerate or even support is causing more trouble for international peace and safety.

This challenging problem requires constant adaptation as the terrorism is constantly progressing but it is troubling to come to an agreement as not all states have the same outlooks and interests.

Definition of Key Terms

Terrorism

The unlawful use of violence and intimidation, especially against civilians, in the pursuit of political aims.

State Sponsored Terrorism

The government support of violent non-state actors engaged in terrorism.

Money Laundering

The concealment of the origins of illegally obtained money by transferring it to foreign banks or legitimate businesses.

The Dark Web

Hidden overlay networks that are only accessible by a specialized web browser and are used to keep internet activity anonymous and private which could be used for illegal means.

Extortion

The practice of obtaining funding and resources through threats and violent acts.

Background Information

Modern Day Terrorism

After the Soviet Union collapsed and the proxy wars ended, all of the support and fundings of that conflict ceased and shifted towards active larger global threats Islamic Groups, such as Syria, Iran, or Indonesia. The first state sponsored terrorism was done by the United States and Pakistan to the Afghan Mujahideen combating Soviet invaders which later on also disrupt Central Asia, Pakistan and other surrounding nations besides Afghanistan. Then came the rapid growth of Islamic Terrorist movement in Central Asia that destabilized Tajikistan, Uzbekistan, and Turkmenistan with rebellions and wars. Conflicts such as the Syrian Civil War, Lybian Civial War, Chechen Wars, Iraq Wars and even the Israeli Palestinian conflict have been caused by futher funding of Islamic Groups by the Golf States and Wealthy individuals.

The War on Terror

The War on Terror, an international military campaign was launched by the United States after the 9/11 attacks and has influnced the world into combating terrorism in order to protect all nations, break up terrorist organizations, and distrust the plans/acts of all international terrorist organizations. The United States primarily used and uses this campaign for conventional means such as the invasion of Afghanistan and Iraq. The USA invades countries in order to counter terrorism and not for the sake of invation. However recently, the USA has decided to step back from Afghanistan and led to a rise of terrirsm of the Taliban after over 20 years of trying to combat this terrorist organization, and has given up on fighting terror in Afghanistan. Thanks to this campaign the United States and the larger power given to intelligence agencies, we have been able to monitor and prevent large terrorist transactions. As stated earlier, small fundings can have large consequences

and there still hasn't been found a solution to close all of the loopholes and detect all of the methods of financing that terrorists use.

Major Countries and Organisations Involved

Islamic Republic of Iran

Iran has been financing terrorist organizations for decades and one of their most significant acts of sponsoring terrorism has been the supply and development of bombs, rockets and other fire arms to Hamas, Hezbollah. Iran has also helped these organizations develop smuggling routes all the way from the Gaza strip to Sudan. Iran has been in the USA's state sponsors of terrorism list since 1984 and has also supported financially the Houthis in Yemen. Moreover in January 2021, the IRGC Aerospace Force commander Amir Ali Hajizadeh said "All the missiles you might see in Gaza and Lebanon were created with Iran's support" drawing clear relations with sponsoring terrorism. Sayyid Ali Hosseini Khamenei, the current supreme leader of Iran since 1989 has tweeted on May 20th, 2020 "We will support and assist any nation or any group anywhere who opposes and fights the Zionist regime, and we do not hesitate to say this". Iran has never kept it a secret that they are supporting terrorist organizations and has made it clear to other nations and the UN that they aren't planning on stopping as they keep developing their nuclear weapons.

Syrian Arab Republic

Syria has been in a civil war for a decade in which active insurgencies, extortions and rebellion against its own government. Terrorist organizations and activists leveraged this war to finance themselves in illegal ways such as selling drugs and kidnapping. The Syrian government also receives significant international fundings and support from countries

such as Iran and Russia. Apart from the long ongoing civil war and multiple terrorist organizations, Syria is also recognized by the United States as sponsor of terrorism due to their political and military support to a variety of terrorist groups from Lebanese Hizballah to al-Qa'ida.

United States of America

The United States has been a key player in combating terror and preventing the fundings of terrorism. Ever since 9/11 the US has developed the War on Terror campaign and has supported the development of security financially and strategically. The nation sees Islamic terrorism as a major national security state and has supported countries like Afghanistan and Israel which are dealing with major terrorist organizations like Hamas and Al Qaeda. Besides helping countries facing terrorism it also denied aid to countries either using terrorism or supporting it. The United States plays a major role in detecting terrorists and placing sanctions and freezing their bank accounts to stop the flow of money. Furthermore, the United States publishes a list with countries that are alleged to sponsor terrorism. Today Cuba, North Korea, Iran and Syria are on the list.

Qatar

Qatar is one of the richest countries in the world and it is known for heavily funding global terrorist organizations like Al-Qaeda and ISIS. Besides the Qatari government, wealthy Qatari individuals have also taken part in funding terrorist groups. The Qatar Charitable Organization has also been alleged of supporting Osama Bin Laden with the 911 attack. The Qatari government has sought to amplify Hamas's and the Islamic Jihad's voices and missions. The government is also a big supporter of the Muslim Brotherhood, a Sunni Islamist organization, and has 'donated' over \$1 billion to them.

Saudi Arabia

Saudi Arabia has been financing terrorism ever since the early 90s when they donated to charities till 2006, when Saudi Arabia created the charity Muslim World League that was supporting terrorist organization. Later on it was revealed that this charity was run by a member of the Saudi Royal family. Not only some of the royal family supported terrorism but also the government as sources submitted to the UN have exposed that Saudi Arabia gave al-Qaeda about \$300 to \$500 million in 1992 to 2002. The report that exposed this information suggested that the money was given by abusing an Islamic pillar and by taking advantage of the Saudi regulatory vacuum. Religion can play a big role in the financing of violence (not necessarily terrorism, as not all nations define terrorism in the same way).

Cuba

On January 21st, 2021 Cuba was added back to the USA's state sponsors of terrorism list under Trump's administration on the basis that the Cuban government isn't ending Castro's regime, isn't stopping their interference in Venezuela and is granting safe harbor to terrorists. Cuban citizens have been facing acute shortages of food and medicine in recent months and the USA has applied sanctions on Cuba, and as there is a large population of Cubans in Florida, they have been marching and rioting for change. Biden's administration has been wanting to support the Cuban people while holding the regime to accountability as they still sponsor terrorism. As much as the USA would like to help the Cuban citizens, it can't ignore the acts of the Cuban government and it raises the question of whether the human rights of the Cuban citizens are more important than the financing and support of terrorism by their government.

Democratic People's Republic of Korea

Democratic People's Republic of Korea, also known as North Korea, is one of the most repressive countries in the world, but it isn't a terrorist country though the United States of

America considers it a state sponsor of terrorism. A state is considered a sponsor of terrorism if it repeatedly provides support for acts of international terrorism, however not all countries have the same definition for terrorism. North Korea hasn't kept it a secret that they are working on developing nuclear weapons and the USA uses that claim to consider them a state sponsor of terrorism so they could keep applying sanctions on them. Delegates should consider their country's perspective and stance on what they consider terrorism.

Timeline of Events

Date	Description of event
December 29, 1979	Syria was the first country to be added to the United States list of sponsors of terror after its involvement with Hezbollah in Lebanon.
January 19, 1984	Iran was added to the sponsors of terror list of the United States following its fundings and support of terrorist organizations in Yemen.
July, 1989	The Financial Action Task Force (FATF) was founded, an inter-governmental policymaking body that creates policies to combat money laundering and the financing of terrorism.
December 9, 1999	The Terrorist Financing Convention was adopted by the United Nations General Assembly in 1999, and is currently signed by 188 states. This agreement is one of the most successful international agreements as it calls nations to strengthen and tighten their police and judicial corporations to prevent and investigate terrorist financing.
September 11, 2001	September 11 attacks were a series of four

	<p>coordinated terrorist attacks by Al-Qaeda in the United States and the “war on terror” began.</p>
September 28, 2001	<p>The United Nations Security Council passes resolution 1373 which calls on states to prevent and suppress the financing of terrorism by strengthening their law enforcements and regulations.</p>
October 7, 2001	<p>The United States invaded Afghanistan targeting the terrorist organization Al-Qaeda and weakened their financial resources.</p>
July 29, 2005	<p>The United States Security Council unanimously passed resolution 1617 which renewed sanctions against Al-Qaeda, the Taliban and Osama Bin Laden.</p>
March 15, 2011	<p>The start of the Syrian civil war, terrorist organizations such as Al-Qaeda and ISIS used this event to gain influence and money in Syria.</p>
May 2, 2011	<p>American special forces killed Osama Bin Laden, a senior Al-Qaeda commander and main financier.</p>
July 22, 2011	<p>Anders Breivik, a Norwegian domestic terrorist responsible for the attack in Norway which killed 77 people in 2011. This attack appeared to be entirely self-financed.</p>
September 24, 2014	<p>The United Nations Security Council passed resolution 2178, urging nations to disrupt terrorist financial transactions and activities and criminalize under the domestic law the financing of terrorist travel and financial transfers.</p>

August, 2016

The former president of Pakistan, Pervez Musharraf admitted that the government funded terrorist organizations with religious militancy.

November 20, 2018

North Korea was added to the United States sponsors of terror list. "In addition to threatening the world by nuclear devastation, North Korea has repeatedly supported acts of international terrorism, including assassinations on foreign soil," Said by Trump to the reporters at the White House.

January 12, 2021

Cuba was added by the United States to the sponsors of terror list as it is accused for not combating the Castro regime and not stopping the regime's interference in Venezuela.

Relevant UN Treaties and Resolutions

UN Security Council resolution 1617 - 2005

Renewed sanctions against Al-Qaeda, the Taliban and Osama Bin Laden and other associated individuals. It also encouraged working with the International Civil Aviation Organization (ICAO) and Interpol which was preventing travel documents from being made with terrorists. These sanctions also apply to other terrorist groups with violent means and acts.

Security Council resolution 2178 - 2014

This resolution urged Member States to disrupt terrorist-financing activities linked to financial transactions and criminalize under the domestic law the financing of terrorist travel and financial transfers. This resolution responds to the growing sophistication of terrorist groups and calls the state to focus on groups as well as individuals.

[United Nations Security Council resolution 1373 - 2001](#)

Prevents and suppresses the support of terrorism and requires of the United Nations Member States to implement regulations intended to reinforce their measures to combat terrorism at their nation, regions and internationally.

[Resolution 2133 - January 27, 2014](#)

This resolution concerns preventing financial gains or other gains from kidnapping and hostage-taking by terrorist groups. It prevents these activities and focuses on reducing its effects.

[Resolution 1333 - December 19, 2000](#)

Calls for the termination of any support to the Taliban and Al-Qaeda. This resolution also focuses on the growth/production and trade of opium of the Taliban in Afghanistan which is one of the main sources of fundings of this group. This resolution would not only cut the fundings of the Taliban but also would preserve the income of Afghan farmers.

Previous Attempts to Solve the Issue

[The Terrorism Prevention Branch](#)

The Terrorism Prevention Branch (TBP) is part of the United Nations Office on Drugs and Crime (UNODC). This office studies the scale and nature of illicit terrorist planning and

finance. It can be requested by the Security Council to inspect and investigate a specific case and it can suggest ways to combat the issue at hand. This office was not very effective because it has no authority to demand any United Nations Member States to cooperate with its investigation.

The Financial Action Task Force

The Financial Action Task Force (FATF) is not part of the United Nations system but an independent group that works with many United Nations Member States. It helps nations and financial institutions partner in order to help law enforcement agencies find and combat alleged terrorist finance. Although it offers a place for financing and strategic planning for nations, not all nations are part of it because it would compromise their sovereign authority and therefore it is not the most effective.

The Terrorist Financing Convention of 1999

The convention establishes the significance of the financing of terrorism for the international community. Calls nations to establish police and judicial cooperation to prevent, investigate and penalize the financing of terrorist groups and attacks. It is one of the most successful international agreements with 188 ratified nations. One of the most recent signatories is Iran, where there was a strong domestic resistance but an appreciation and support from the Iranian conservatives which is surprising because the document was being used against them with no pros for them. Nevertheless, their ratification passed the legislature in 2018.

The Terrorist Asset-Freezing Provision Act 2010 (United Kingdom)

The Terrorist Asset-Freezing Provision Act 2010 implemented the obligation of the United Kingdom under the United Nations Security Council to give the Treasury temporary power to freeze the assets of groups and individuals that are suspected to be involved in terrorism and to strip them of access to financial resources. The prevention has mainly

proved not to work and prevent the funding of terrorist groups and has been criticized for infringing on human rights.

Possible Solutions

A solution to this problem requires establishing stricter financial regulations for international trading, private donors, and non-state actors. Delegates will need to draw the line between personal liberty and the prevention of funding terrorist organizations as individuals can also donate sufficient money to support terrorism and violent acts. Other challenges that delegates need to take into account are money laundering, kidnapping, extortions, and drug trafficking and create regulations that could help specific nations deal with these problems. Ransoms and extortions have also been present in international cooperation so delegates should also consider how they are planning on addressing this issue within their own nation and globally. The newest form of financing of terrorism is through the digital world, more specifically within the trading of cryptocurrencies. Each nation has different laws regarding the use and trade of digital currencies and on whether having anonymous trading is really necessary.

Delegates should also consider acting against specific terrorist threats as it might be easier agreeing on a specific terrorist organization/sponsor. Creating a higher common denominator standard could be another way to tackle the sponsoring of terrorism with correlating with the Financial Action Task Force and all UN members. If one country raises its regulations for reporting financial transfers, all other nations would be expected to meet those standards. This way, it would be harder for terrorists to transfer money internationally. Standards are only guidelines and they are valuable and serve as benchmarks for member states however the provision of actual resources is necessary. As terrorism can also exist in smaller scales, identifying and tracking terrorists only

becomes more complicated therefore there should be increase in resources available for oversight and investigation.

Delegates are expected to come up with unique and original solutions to help prevent the funding of terrorist organizations and to take into account their nation's current situation as well as helping on a global scale.

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