

**FOR IMMEDIATE RELEASE****Statement of Ranking Member Bennie G. Thompson*****Following the Money: Examining Current Terrorist Financing Trends and the Threat to the Homeland***

May 12, 2016 (Washington) – Today, Committee on Homeland Security Ranking Member Bennie G. Thompson (D-MS) delivered the following prepared remarks for the Counterterrorism and Intelligence Subcommittee hearing entitled “Following the Money: Examining Current Terrorist Financing Trends and the Threat to the Homeland”:

“During a similar Committee on Homeland Security hearing during the 112th Congress, I acknowledged that as the Administration and our national efforts continue to “disrupt and dismantle the activities and traditional funding sources of terrorist groups such as Al Qaeda, it should come as no surprise that their affiliates may turn to traditional criminal activities to fund ideologically-based violence.”

As we meet today, the same holds true. Currently, the United Nations Security Council Sanctions List includes over 600 individuals and almost 400 organizations.

As our international partners continue to share and coordinate threat and financial information and nations continue to impose economic sanctions, this game of whack-a-mole will continue as state-sponsored terrorist groups will seek other sources of financing.

Terrorist organizations like Al Qaeda, the Islamic State, and Boko Haram are being forced to be more innovative with their financing schemes. Terrorist organizations are increasingly being linked to transnational organized crimes like drug trafficking, illicit trading of firearms, extortion, kidnapping, human trafficking, smuggling of migrants, trafficking in natural resources, fraudulent medicine sales, and cybercrime.

It is no shock that the financial structures of terrorist organizations are analogous to criminal organizations. Both groups utilize various financing patterns to raise and store funds.

Similarly and due to the criminal nature of terrorist organizations, their use of alternative financing apparatuses can make tracking their financial operations especially difficult.

A 2009 analysis and accumulation of data from various studies suggests that transnational criminal proceeds are likely to amount to some 3.6% of global GDP, equivalent to about 2.1 trillion US dollars.

According to the United Nations Office on Drugs and Crime, the largest income for transnational organized crime comes from illicit drugs. The most recent figure from the United Nations states that illicit drugs account for 20% of all crime-related proceeds.

Since the September 11th attacks, there has been a renewed Federal focus on terrorist organizations.

In the 15 years that have followed, the U.S. government has made it a top national security priority to disrupt the financial support networks for terrorists and terrorist organizations.

Most significantly, in 2004, the Department of Treasury created the Office of Intelligence and Analysis to regularly review intelligence information. As a member of the Intelligence Community, the Treasury Office of Intelligence and Analysis creates financial data and trends, based on intelligence information pertaining to terrorist financing abuse of charitable organizations and corporations.

Intelligence information within this office is gathered and disseminated by and to various agents, including the Department of Homeland Security’s Office of Intelligence and Analysis and the Federal Bureau of Investigations.

Information sharing is the key to maintaining the flow of information and ultimately tracking the dollars that are gained through transnational crimes, cultural crimes, and charitable contributions.

These dollars keep terrorist organizations operational. These are the dollars they use to recruit, train, and equip their members so that they will in turn carry out violent terrorist acts.

The duty of disruption and prevention still rests with the entire international community, not in the United States alone. In a world that grows more connected daily, it is important for other countries to make countering terrorism within their financial sectors a top international security priority.

Terrorist organizations are becoming more fluid and diverse in the acquisition and laundering of money; consequently, our policy responses and counter efforts must be thoughtful and nimble.

I look forward to hearing recommendations from our witnesses today regarding the best practices and considerations we can undertake to end the cycle of funding that these organizations use to survive.”

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