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DEPUTY DEFENSE MINISTER OF KINGDOM OF MALAYSIA PAYS VISIT TO IMCTC

Deputy Minister of Defense of the Kingdom of Malaysia Dato Sri Ikmal Hisham Abdul-Aziz, alongside the designated delegation paid a visit to the IMCTC Center headquarters, Riyadh on May 3, 2021, where they were warmly received by Major-General Mohammed Saeed Al-Moghedi, IMCTC Secretary-General. The Malaysian delegation was officially briefed on the IMCTC counterterrorism efforts. The delegation paid tribute to the IMCTC concerted efforts made to better coordinate the actions of the IMCTC member countries in combating extremism and terrorism and supporting international peace and security. ✸

GREEK CHIEF OF STAFF PAYS VISIT TO IMCTC

His Excellency Chief of General Staff of the National Defense of the Republic of Greece, General Konstantinos Floros, along with a senior delegation accompanied by the designated delegation paid a visit to the IMCTC Center headquarters, Riyadh on May 25, 2021, where they were warmly received by Major-General Mohammed Saeed Al-Moghedi, IMCTC Secretary-General. The Greek delegation was officially briefed on the IMCTC concerted efforts made to further combat extremism and terrorism. The delegation was also provided by a detailed explanation by the IMCTC Secretary-General of the IMCTC goals and initiatives, and the impact on coordinating the efforts of the IMCTC member countries in the four key domains. ✸

DELEGATE OF THE KINGDOM OF BAHRAIN ANALYZES USES OF COUNTERTERRORISM ARTIFICIAL INTELLIGENCE

IMCTC conducted a keynote lecture on ARTIFICIAL INTELLIGENCE INVESTMENT IN COUNTERTERRORISM, April 24, 2021, by Colonel Ali Mohammed Mahmoud, Delegate of Bahrain to IMCTC. Mahmoud Introduced Artificial Intelligence (AI), importance, present and future areas of use, opportunities, associated threats and challenges.

Imagination Becomes Reality

Sultan Al-Ghamdi, the keynote lecture moderator, highlighted that AI becomes a reality in 2018 in our everyday life. Wide-ranging discussions were opened up about the strengths, weaknesses, threats and opportunities as AI has become such ubiquitous technologies across all sectors of life, including but not limited to GPS navigation, mobility, connectivity, traffic optimization, especially after AI has come into play to avoid traffic congestion, to using digital virtual assistants to perform various tasks. Al-Ghamdi highlighted AI avenues optimized to reduce terrorism, predict terrorist operations and clamp down on terrorists.

Mahmoud reviewed the historical development of AI, as revealed by a scientific article published in 1950s, COMPUTERS AND INTELLIGENCE, and how computers were used in medicine and other areas in 1970-1983 in an exponentially growing pace.

Mahmoud divided AI systems according to the performance function: humanlike thinking systems are used in decision-making and problem-solving; humanlike behavioral systems are used in self-driving cars; rational and anticipatory systems provide assumptions and analyses; rational systems provide 3-D printer services.

AI Uses

AI has three main areas of use. First, AI is used in data analysis to obtain intelligence information on terrorist operations with audio surveillance (phone-tapping), security CCTV cameras, personal data, digital content and electronic fingerprint. Second, AI enhances machine learning to create future solutions to problems. Third, AI is used for deep neural networks for predictability; it is the most important counterterrorism use. It is possible to predict the type of terrorist operations, success rate, type and place of weapon and execution. Taken together, terrorist operations can be thwarted and nipped in the bud or at least terrorist threat can be reduced. Again, strict force against terrorism and associated losses can be also reduced as much as possible.

Predicting Terrorism

AI has enormous technological capabilities of predictability optimized in terrorism anticipation, yet applied on a limited scale. Security and intelligence services use automatic data analysis to assess the risks of airflights and uncover links between terrorist organizations and their members. AI is also used by police to analyze criminal gang networks, and some hi-tech companies use sophisticated prediction measures to monitor and foil terrorist activity on social media platforms. Equally important, AI is used in the financial services sector to report any suspicious activity in financial transactions, especially those related to money laundering and terrorist financing. Some telling examples of the AI counterterrorism ability can be referred to by prediction:

1. Predicting the locations and timings of terrorist attacks:
Models have been developed to predict the locations and timings of terrorist attacks. In 2015, a tech startup claimed that its prediction model successfully predicted suicide attacks with an accuracy of 72%. Some models relied on open-source data for individuals who use social media and applications on their mobile phones.

2. Identifying vulnerability and susceptibility to extremism:
Some technology companies have developed tools to assess vulnerability to violent extremist ideas; one company announced its project (redirect), which targets users of video sharing sites who may be subject to propaganda from terrorist

groups. The project redirects them to video clips that adopt a reliable counter-narrative of terrorist organizations.

3. Identifying terrorists:

Some information leaked about a program for the US National Security Agency (SKYNET) indicates that it used an AI-based algorithm to analyze the metadata of 55 million local mobile phone users in a given country in 2007, the result was that about 15,000 individuals were identified as potential terrorists out of the given country's total population of 200 million at that time. Although the model used was not successful, it does demonstrate the predictive value of data when identifying links closely associated to terrorism.

More Feasible

The automated data analysis process may be riddled and flawed with some violations by AI systems; however, it contributes to reducing the privacy violation of citizens vis-à-vis traditional human analyses, and it is more feasible. It relies on many different sources to collect information and verify the validity of the results.

Such systems can solve the problem of confusing people at risk of extremism with actual terrorists, and maintain a real distinction between sucg people with predictive systems based on analyzing generated data or digitally stored, which are neutral, reliable and feasible data that can be used as an ideal way to direct non-coercive early interventions, such as the interventions aimed at preventing youth from being decoyed into violent extremist ideologies.

Challenges and Threats

Mahmoud also highlighted the challenges, threats and aftermath damages of using AI, including but not limited to human rights and practical concerns. This also includes the lack of established AI standards; there is no agreed international position on the limits of the AI uses in different societies, which increases the need for adequate safeguards for the AI use, the development of control measures for proper use and the continued review of such measures.

The report of the United Nations Commission on Human Rights (OHCHR) on the right to privacy in the digital age issued in 2014 noted the spread of overt and covert digital surveillance around the world, which threatens some of the rights and freedoms provided for in the Universal Declaration of Human Rights and in international treaties, such as The International Covenant on Civil and Political Rights (ICCPR), adopted in 1966, and entered into force in 1976, with 173 member states signatories to it as of July 2019.

The United Nations General Assembly issued Resolution 68/167 in December 2014, regarding the right to privacy in the digital age, which places the responsibility on states to ensure that their activities comply with international law. However, the difference in arbitrary or illegal interference in the privacy of the individual made the decision relatively poor as a binding rule. Regional and international treaties strengthen this issue in some areas, especially in the application of supranational courts authority. For example, the European Court of Human Rights (ECTHR) noted that Germany, Sweden and the United Kingdom violate European Convention on Human Rights in its practices regarding data interception, retention and use. In December 2016, the European Court issued a ruling condemning Britain for violating the basic rights guaranteed by the European Union in data retention practices.

In July 2017, the European Court banned PNR data traveling from European Union countries to Canada, stating restrictions on protecting private data should be applied only when absolutely necessary, and that the need for safeguards for this data increases when personal data is automatically subject to access, collection and storage.

Practical Concerns

The most notorious challenges, threats and negatives related to practical concerns are related to the misuse of AI, whether by terrorists using AI or misinterpreting the outcomes of counterterrorism devices, such as the question of whether AI can make sufficient predictions. There are many different functions in terrorism, and various pathways to achieve such functions.

This means that it is impossible to include or exclude from a definitive list of indicators of involvement in terrorist activities. There seem to be some clear trends in the common characteristics of terrorists. However, the small number of terrorists in the general population renders access to broad characteristics based on profiling without predictive value. The low incidence of terrorism and the tendency of terrorist methods to constantly evolve rapidly make it difficult to build good predictive models. We can improve the accuracy of prediction models, but restricting access to data may reduce the efficiency of AI in achieving such tasks. More data builds better models, but achievable models are limited due to restrictions on what types of data can be accessed and how they are used.

Nevertheless, research has shown that it is possible to use AI to analyze communications and definitive characteristics, such as the degree of extremism, aggressive intent or the emergence of the terrorist movement. This means that the ability to predict terrorist involvement was previously impossible, but it is no longer the case today.

It is critically necessary to develop and qualify human resources in AI across all civil and military areas.

Laying the ground rules for an efficient infrastructure to invest in counterterrorism.

Integration of AI and cyber warfare in the IMCTC domains.

Recommendations

DR. MOHAMMED AL-ABBAS HIGHLIGHTS AT IMCTC LECTURE: INTERNAL AUDIT IS NOT FAULT-FINDING

His Excellency Dr. Mohammed Al Abbas, member of the Saudi Shura Council, delivered a keynote lecture at the IMCTC headquarters, Riyadh, featuring INTERNAL AUDIT: CONCEPT AND APPLICATIONS, May 23 of 2021. Al Abbas addressed the concept of internal audit, history, objectives, implementation method and relationship to governance and risk management.

Al Abbas highly appreciated the interest evinced in governance and internal audit by those mandated and entrusted with IMCTC. "Successful institutions keen on notching up continued success stories apply governance firmly and accurately, and successful directors well adhere to governance, implement relevant procedures and closely follow up on outcomes", added Al Abbas.

History

Al Abbas reviewed the history of internal audit and further explained that it dates back to the nineteenth century, when large companies came into reality, marking the separation of ownership and management. Managers used to develop financial statements for the owners of companies, including a statement of costs and production, profit and loss, etc. As the owners wanted to double-check such statements, the need for auditors to act as independent mediators between owners and managers become critically more important. Following the global recession crisis in 1929, Britain along with the United States of America decided that internal audit would be mandatory for companies.

During the crisis of the 1980s, auditors revealed that many corporate departments did not apply audit and control procedures, and the suggestion was to appoint an internal auditor who would be sure of the application of control. In 2000, following the collapse of ENRON and other companies, it became evident that the internal auditors had predicted the problem, and appealed to the management concerned to correct it, but it did not pay attention to the auditors' reports; the suggestion was that the audit be part of a general and comprehensive approach known as governance, as internal audit successfully achieves desired objectives only in light of successful governance.

Non-Funtional Activity

The speaker spelled out that internal audit is an independent objective activity for verification and consultation; it aims to create and improve an added value to the corporate operations, hence helps to achieve key goals, by applying a structured and disciplined approach. It also helps to assess and develop the effectiveness of risk management, control and governance processes. Equally important, it is a process implemented by the entity or entity's board of directors, management members and employees implement, designed to obtain acceptable assurance for the achievement of operational objectives, reporting and compliance. This means that internal audit has several key features:

► Goal-oriented.

► It consists of continued tasks and activities; it is not just a regular, traditional function.

► It is a means to an end, not a mere end.

► People are affected, not only about policy manuals, procedures, systems, and forms, but about people and actions that they take at each level of the entity to influence internal audit.

► It can provide acceptable assurance, but not absolute assurance, to the entity's senior management and board.

► It is flexible and resilient to the entity structure, applicable to the entire entity, subsidiary, division, operating unit, or specific business process.

Risks and Objectives

In a similar vein, the speaker highlighted that internal audit contributes to improving risk management, as every entity faces almost a whole host of risks that can affect many parts of such an entity. Sometimes risks can arise in one part of the entity, but affects others.
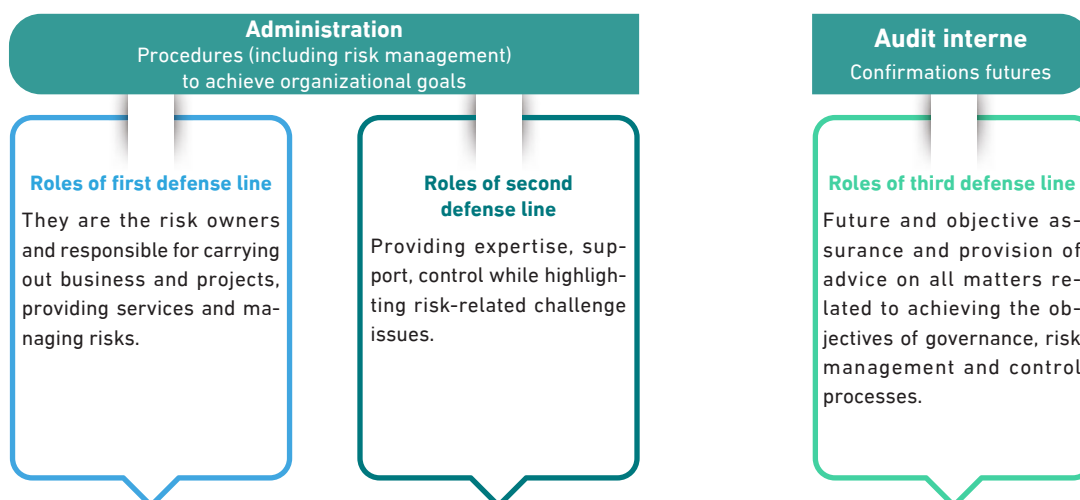
Risk management allows entities to improve their ability to identify risks and determine appropriate responses, hence reduce surprises and related costs or losses, while taking advantage of good developments.

Three Defense Lines

Senior Organization Officer

To be held accountable by stakeholders for regulatory oversight

Tasked with realizing integrity, leadership, transparency and risk acceptance

Administration Procedures (including risk management) to achieve organizational goals		**Audit interne** Confirmations futures
Roles of first defense line They are the risk owners and responsible for carrying out business and projects, providing services and managing risks.	**Roles of second defense line** Providing expertise, support, control while highlighting risk-related challenge issues.	**Roles of third defense line** Future and objective assurance and provision of advice on all matters related to achieving the objectives of governance, risk management and control processes.

In a similar vein, Al Abbas reviewed the key objectives of internal audit:

► Achieving operational effectiveness and process efficiency.

► Ensuring confidence in the information systems and the quality of the information used in decision-making.

► Protecting assets from losses, including losses resulting from fraud of management and employees.

► Adhering to the Articles of Association, corporate policies, laws, regulations and contracts.

Internal and External Audit

Al Abbas drew a comparison between internal audit and external audit, and further explained that the independent accredited audit companies provide financial statement documentation services for the interest of third parties. External parties rely on the opinion of the independent accountant when making financial decisions about the facility. Independent opinion allows the information used by third-party decision-makers to be correct, thus increasing users' confidence regarding the accuracy, completeness and validity of the information on which their decisions are based.

Internal auditors provide confirmation and documentation services, but the main difference between internal and external financial reporting services is the beneficiary. Internal auditors provide financial reporting assurance services primarily for the benefit of management and the board of directors.

Audit and Governance

Internal audit operates in a coherent management environment based on governance, as the senior management carried out by the Board of Directors directs and supervises processes to accomplish the corporate objectives. Control is carried out by management to reduce risks to the lowest acceptable level, and risk management is undertaken by management to understand the uncertainty of risks and opportunities and treatment methods.

The implementation of governance is carried out within three pathways. The senior official in the entity is responsible for achieving integrity, leadership and transparency, determining levels of risk acceptance and management to achieve corporate goals. He is held accountable to stakeholders in

In the first line, activities and projects are implemented, services and risk management are carried out; in the second line, expertise, support and control are presented, and challenges are presented on issues related to risk. Internal audit provides independent and objective future assurances and provides advisory services and consultancy on all matters related to achieving the objectives of governance, risk management and control processes.

Discussions were opened up for the floor on risk management and internal audit. The speaker confirmed that they fall under the governance structure, as risk management falls in the second line of the structuring matrix, which includes setting the necessary standards, and internal audit checks and verifies that these standards are applied and compliant.

International Framework for Professional Audit

► It has laid the groundwork for the internal audit functions to fulfill its roles and responsibilities effectively.

► It has achieved universal acceptance of the definition of internal audit, codes of ethics, and standards that have been translated into more than 30 languages.

► It consists of two types of instructions:

A. Mandatory Guidelines: (Definition of internal audit, codes of ethics and standards).

B. Recommended Guidelines: (application instructions and supplementary guidelines), which describe practices that support the effective application of the principles provided for in the mandatory guidelines.

DR. ALI AL-NAMLAH SPEAKS ABOUT ISLAMOPHOBIA AND IMPLICATIONS AT IMCTC KEYNOTE LECTURE

IMCTC conducted a keynote lecture, featuring ISLAMOPHOBIA: MENTAL IMAGE AND CHALLENGES by His Excellency Dr. Ali Ibrahim Al-Namlah, former Saudi Minister of Labor, May 26, 2021. His Excellency addressed concerns about Islamophobia attaching a special attention to associated repercussions, implications, historical roots and methods to reduce such threats.

Milestones in Islamophobia

Al-Namlah identified some important milestones that help to better understand and address Islamophobia including the following:

- Fear cannot course or wash through Islam for Allah Almighty has promised to preserve Islam forever and disseminate the message of Islam widely. The challenge here is in the methods of proper dissemination of Islam, according to the Noble Quran and Sunnah, and on the methodology understood by the predecessors of the Muslim nation, scholars and polymaths.

- Islamophobia is not a new concept; rather, it has come into existence with the advent of Islam for a wisely predetermined course of action destined by Allah Almighty; if Allah willed, He would guide all people, into one unified nation. It is the will of Allah to keep all peoples different as such.

- Islamophobia came into reality in 1923; epistemologically, any phenomenon comes into reality before the associated term is coined.

- Islamophobia by others is the fear of Islam to be widely or ubiquitously spread; that is why religious leaders (popes, patriarchs, metropolitans, bishops, priests, and deacons) along with political leaders drum up for vehement confrontation of the spread of Islam.

- Islamophobia is a continued phenomenon witnessed by successive generations because the Western vision made up towards Islam is shrouded in mystery, which prevents a sound understanding of Islam, leading up to more heightened hate between East and West.

- Islamophobia should not be discussed in an emotionally charged environment; rather, it requires, self-composure, rectitude, clarity, cogent and telling arguments that refute and lay bare the ill-intentioned propaganda today that Islam poses a threat to humanity.

- It is utterly futile to adopt a defensive stance that shows Islam in a poorly established method to shore up and paper over Islam; the discussion should not be based on profusely justified apologies, which signifies an attempt to please the other, because such propositions are not convincing when the need for persuasion is increasingly growing.

- We should avoid the offensive approach, which is based on fooling the minds of others because they have not come to understand the truth of Islam.

- Some Westerners who feel that Islam threatens their interests do not wish to understand Islam as is in such a manner that corrects this pretentious stance. It is imperative to neutralize such people by rebutting and undermine their argument, while stating the correct attitude towards Islamophobia.

- Addressing Islamophobia requires concerted efforts to better build a constructive dialogue between Muslim thinkers, intellectuals, scholars and Western clerics. To this effect, more scientific and intellectual research centers and forums for dialogue need to be established, hence build commonly agreed grounds.

- Such centers and forums should be run by highly qualified people, who have deep knowledge of misconceptions and have the ability to refute and correct such misconceptions.

- Some Muslims offend Islam, including individuals from Muslim communities and minorities who are predominantly motivated, and join groups, organizations and movement parties predominated by extremism and intolerance. They impede any smooth attempts to clarify the truth of Islam and its correct concepts.

- One of the key milestones to better understand the driving causes of Islamophobia is that some groups affiliated with the Muslim community have made the political aspect of Islam prevail over more important aspects.

- An inaccurate understanding of the relationship of politics and religion, while politics and religion are still yoked together, has created a state of fear of some groups being involved in acts of violence; violence for them is a tool instrumentalized to achieve a political end, while attaching some of such actions to jihad.

Deeply Ingrained Roots

His Excellency Dr. Al-Namlah reviewed the historical roots of Islamophobia, spearheaded by the Crusades with its eight campaigns that lasted two hundred years. This was followed by the colonial era and beyond. Directly supported by the occupation, the Christianization

campaigns were more encouraged. In the heart of Muslim countries centers of missionary work were established as incubators for Christianization. Later, hospitals, training and education centers, and relief societies were established in the name of Jesus Christ. As the Muslim countries were occupied, attention was focused on the study of Islam, and Orientalism emerged, which presented attempts to understand Westerners' Islam, and to establish a stereotype of the East in the nineteenth century.

Research centers were opened; orientalist libraries, schools and institutes were established; publications and periodicals were released; hundreds of conferences, seminars and discussion groups were held to understand Islam and the East. This was meant to further penetrate into Islam and the East culturally and materially, hence to diagnose vulnerability and challenge poor areas. Contemporary military and media campaigns were carried out, aimed at the ethnic cleansing of Muslims and directly level abuse at them. Infemaously enough, raping Muslim women has become a weapon instrumentalized to fuel oppression! Estimates of Muslim women raped in the Serbian war make up fifty thousand women.

One of the most notorious features of this trend in the Western thought, fueled by direct assistance from the research and strategic planning centers, is feeding on Islamophobia, which may be considered the natural corollary. Hence, the origin of the term Islamophobia is not the real image of Islam; rather, islamophobia is the Western image drummed up for by propaganda. This image depicts Islam as an aggressive and violent religion, which supports terrorism, and in a permanent clash with civilizations. Given the increasingly growing number of people embracing Islam in Europe and America, the ferociously dogged campaigns – cloaked with Islamophobia – against Islam are on the increase, and that Islam will eliminate Western civilization. This obsession has shocked the politicians who may have lost the sense of diplomacy, and who have foregrounded the racial supremacy of the white man. This trend is headed by the far-right, especially after the revolution against the Shah in Iran in 1979, which took on a religious flavor. The biggest event came into reality at the outcry of the 9/11 Attacks of 2001, which unleashed the campaigns of politicians, priests, thinkers and Orientalists against Islam.

In light of these developments driven by the influence of Orientalism, coupled with the religious, social and political movement in the Middle East in particular and the Muslim world in general along with the increasingly growing overtone couched in Islamophobia, independent

research centers linked to universities and scientific research institutions that feed intelligence and military agencies have increased. These centers have had a strong impact on political decision-making; their engagement has become in full swing to develop research studies by expert scholars who are fully aware of the region, including Orientalists. This is meant to further prevent the Islamization of Europe and the West and to stop the increasingly growing spontaneous advance of embracing Islam among peoples. Quite a few research institutions have emerged that do not operate in secret, laying out plans to dominate regions, fragment the Muslim world, and assign specialists in these regions to develop research studies on which immediate and future decisions are based.

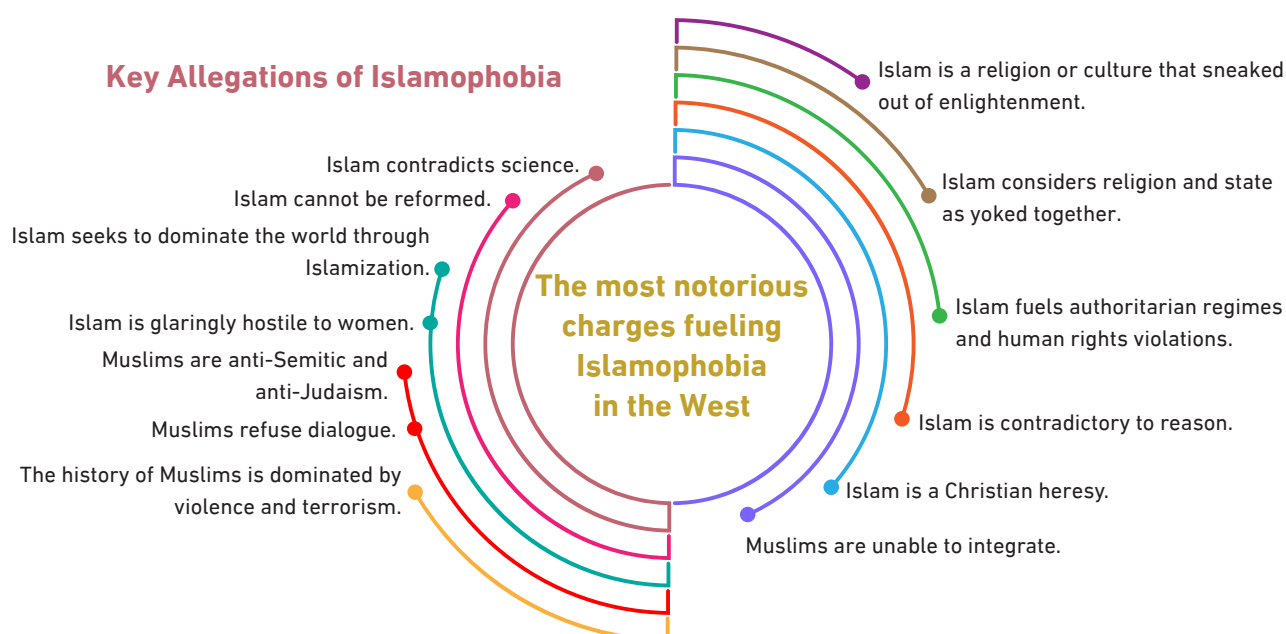## Islamophobia Becomes Islamophilia

Al-Namlah explained and analyzed methods to eradicate Islamophobia, highlighting that Dr. Hassan Badawi, professor at the University of Thessaloniki in Greece, coined the term Islamophilia, which means LOVE OF ISLAM in the face of the much-hated Western term Islamophobia.

He described the shift in term from being hated to being beloved as a long-term and arduous project that starts from the inside out. Unless otherwise the Muslim World improves internally, the perception of Islam and Muslims will not improve; if the love for Islam (Islamophilia) is poorly established among influential people in the intellectual arenas, the spread of Islam to other people is exposed to incurable cognitive and cultural difficulties.

Al-Namlah also stated those looking for solutions to this civilizational dilemma are concerned with dialogue between nations, which is the first tool to start a constructive meeting; it is an ideal method that is frequently repeated in such treatments, and application is less in reality. However, they are emotional outbursts and ideal charters, signed in compliment by those who don't expect to be put into action.

Al-Namlah emphasized that with Jewish Zionism playing around the Muslim World makes it more difficult to realize methods of constructive meetings and opening productive dialogues, as they will act as a panacea for Zionists to survive in the heart of the Muslim World. The directed media nourishes this trend with a high level of wide-ranging potential, which aids and supports this Zionist ideology that relentlessly aims to denigrate and disparage everything that is not Zionist.

Solutions to get out of this civilization impasse are possible because it is within the individual capabilities and perceptions, especially if they have the minimum level of will and ability, and to be aware of the results of the convergence, vis-à-vis the results of divergence. ✸

Key Allegations of Islamophobia

The most notorious charges fueling Islamophobia in the West

- Islam contradicts science.
- Islam cannot be reformed.
- Islam seeks to dominate the world through Islamization.
- Islam is glaringly hostile to women.
- Muslims are anti-Semitic and anti-Judaism.
- Muslims refuse dialogue.
- The history of Muslims is dominated by violence and terrorism.
- Islam is a religion or culture that sneaked out of enlightenment.
- Islam considers religion and state as yoked together.
- Islam fuels authoritarian regimes and human rights violations.
- Islam is contradictory to reason.
- Islam is a Christian heresy.
- Muslims are unable to integrate.

ADVISOR TURKI AL-MUJHED:

EFFECTIVENESS AND COOPERATION ARE INTERNATIONAL REQUIREMENTS FOR COMBATING TERRORIST FINANCING

Turki Ali Al-Mujhed, advisor to the Capital Market Authority, conducted a keynote lecture at the IMCTC headquarters in Riyadh, featuring ANTI-MONEY LAUNDERING AND TERRORIST FINANCING INTERNATIONAL REQUIREMENTS. Al-Mujhed explained the Financial Action Task Force (FATF), requirements and technical recommendations and the recommendations for combating terrorist financing. He highlighted the Kingdom's expertise in FATF, European Commission (EC) and GCC General Secretariat.

FATF Goals and Recommendations

▶ To ensure the member countries are compliant with the standards issued by FATF through continued assessment.

▶ To conduct research studies on trends and indicators of money laundering and terrorist financing crimes.

▶ To provide technical assistance and training.

▶ To protect the international community in general and the financial sector in particular from the risks of money laundering, terrorist financing and arms proliferation.

Al-Mujhed provided an in-depth analysis of all the FATF recommendations. As defined by FATF, combating terrorist financing and arms proliferation refer to any natural person who commits or attempts to commit an illegal terrorist act, by any direct or indirect means, or who has contributed to fueling any terrorist act. Heavy sanctions are imposed by FATF on those who fall under the said definition. Al-Mujhed also discussed the key recommendations for combating terrorist financing and arms proliferation, including but not limited to the following:

▶ Countries should criminalize terrorist financing; such criminalization includes financing terrorist acts, terrorist organizations and individual terrorists, even no connection to a specific terrorist acts are established, and countries should confirm that these crimes are money laundering crimes.

▶ Countries should develop systems of target financial sanctions to comply with Security Council counterterrorism resolutions, which require countries to freeze funds or other assets without delay, and to ensure that no money or other assets are made available to any person or entity.

▶ Countries should implement target financial sanctions to comply with Security Council resolutions related to preventing the proliferation and financing of weapons of mass destruction. Such resolutions require countries to freeze funds or other assets without delay and to ensure that no funds or other assets are made available to any person or entity identified by the authority or under the supervision of the United Nations Security Council under Chapter VII of the United Nations Charter.

▶ Countries should review the competency of laws and regulations related to non-profit organizations identified by a given country as vulnerable to the misuse of terrorist financing. They should apply measures appropriate to the risk-based approach to such non-profit organizations to protect them from being misused to finance terrorism.

Effective Goal

Al-Mujhed emphasized that the direct results of implementing the FATF recommendations are to achieve effectiveness in combating money laundering, terrorist financing and arms proliferation. As such, FATF conducts closely regular checks on how such recommendations are implemented and how compliance is effectively observed.

Effectiveness depends on the efficiency of a given country's AML/CFT system, the effective practices put into action and the level of success in reducing money laundering and terrorist financing risks. Of great note, an effectiveness assessment standard is in place supported by the adoption of the direct results of FATF as a reference to achieve a high level of effectiveness.

Direct Results

1. The state's understanding of the risks of money laundering and terrorist financing, and coordinating actions locally to combat money laundering, terrorist financing and arms proliferation. This depends on a number of key factors:

A. The ability of the state to identify, understand and evaluate the risks of money laundering and terrorist financing.

SAUDI AUTHORITIES ACTIVELY ENGAGED IN COMBATING MONEY LAUNDERING, TERRORIST FINANCING AND ARMS PROLIFERATION

⦿ MINISTRY OF FOREIGN AFFAIRS　⦿ PUBLIC PROSECUTION　⦿ MINISTRY OF COMMERCE　⦿ CENTRAL BANK

⦿ MINISTRY OF HUMAN RESOURCES　⦿ MINISTRY OF FINANCE　⦿ PRESIDENCY OF STATE SECURITY　⦿ FINANCIAL MARKET AUTHORITY

⦿ CUSTOMS DEPARTMENT　⦿ GENERAL AUTHORITY OF ENDOWMENTS　⦿ MINISTRY OF INTERIOR　⦿ MINISTRY OF JUSTICE

B.   The quality of the policies and activities applied by the state in combating money laundering and terrorist financing.

C.   The level suitable objectives and activities carried out by the competent authorities for the policies of combating money laundering and terrorist financing.

D.   Level of cooperation of local authorities to develop and implement policies and activities for combating money laundering and financing of terrorism and proliferation financing of weapons of mass destruction.

E.   The extent to which the state is certain that financial institutions and non-financial businesses and professions understand the results of assessing the risks of money laundering and terrorist financing at the national level.

2. Investigating terrorist financing crimes and activities, prosecuting their financiers and imposing deterrent penalties on them.

Key Driving Variables

A.   The extent to which the various types of terrorist financing activities are being prosecuted with the perpetrators involved being convicted.

B.   The quality of identifying and investigating terrorist financing cases, and the extent to which the investigations identify the activities of terrorist financiers.

C.   The extent to which the investigation of terrorist financing cases is integrated into the national counterterrorism strategies (identifying and classifying terrorists, terrorist organizations and terrorist support networks).

3. Preventing terrorists, terrorist organizations and terrorist financiers from using non-profit organizations. This depends on the ability of states to deal with non-profit organizations that are at risk of being exploited in terrorist financing and their efficiency in depriving terrorists, terrorist organizations and terrorist financiers of assets.

4. Preventing individuals and parties involved in financing the proliferation of weapons of mass destruction from collecting, funneling and using funds in accordance with Security Council resolutions. This depends on several key factors:

A.   The extent to which the state applies, without delay or fail, the financial sanctions provided for in the resolutions issued by the Security Council on combating arms proliferation.

B.   Identifying the funds of individuals and classified entities (and those who act on their behalf or are subject to their direction), and preventing them from carrying out financial operations related to arms proliferation.

C.   The extent to which identified financial institutions, businesses and non-financial professions adhere to target financial sanctions related to financing arms proliferation and understanding such obligations.

D.   The degree of efficiency of the competent authorities 'supervision of the compliance of identified financial institutions, businesses and non-financial professions with their obliga-

tions related to target financial sanctions related to financing arms proliferation and the certainty of commitment.

The Kingdom Comes First in FATF

Al-Mujhed highlighted and showcased the success of the Kingdom of Saudi Arabia in implementing international requirements to combat money laundering and terrorist financing, as the Kingdom of Saudi Arabia has become a key member of FATF. The Council of Ministers issued its Resolution No. (350) dated 2014, which provides for the approval of the Kingdom's FATF permanent membership. The general meeting of FATF, held in Orlando, USA between June 19 and 21, 2019, approved granting The Kingdom as a permanent member of FATF to be the first Arab country to gain such a senior membership. Since then, the Kingdom has adhered to international requirements, with the mutual assessment passed by FATF and the Middle East and North Africa Financial Action Task Force (MENAFATF).

Equally important, the Kingdom underwent a mutual assessment in 2004, and achieved high levels of relevant compliance, in accordance with the approach adopted in the FATF (40) Recommendations relating to combating money laundering, and the FATF (9) recommendations related to combating terrorist financing. The Kingdom undertook a mutual assessment again by FATF and MENAFATF in 2010 and achieved high levels of compliance, ranking first among the Arab countries, and one of the top ten in the overall ranking of the G20 countries.

The Kingdom's preparations for the assessment that it underwent in 2017 included the modernization of the anti-money laundering system and its executive regulations, the system for combating terrorism crimes and terrorist financing, in accordance with the updated FATF requirements. In September 2018, a FATF report confirmed that the Kingdom of Saudi Arabia had made fundamental changes to its anti-money laundering and terrorist financing system, bringing its legal and institutional framework in line with the updated FATF recommendations.

The FATF report indicated that the Kingdom displays a strong legal framework and has firm practical procedures to implement the target financial sanctions imposed by the United Nations on terrorists without delay or fail.

Indicators of effectiveness in combating terrorist financing

►   The state's understanding of the risks of money laundering and terrorist financing, and the coordination of actions locally to combat money laundering, terrorist financing and arms proliferation.

►   Investigating terrorist financing crimes and activities, prosecuting associated financiers and imposing deterrent penalties on those involved.

►   Preventing terrorists, terrorist organizations and terrorist financiers from using non-profit organizations.

►   Preventing individuals and parties involved in financing the proliferation of weapons of mass destruction from collecting, funneling and using funds in accordance with Security Council resolutions. ✿

INTERNATIONAL REPORTS HIGHLIGHT DOLLARS FOR DAESH

A new series of the IMCTC International Reports has come out. The newly published issue discusses a report released by the Extremism Studies Program at George Washington University in the USA, featuring DOLLARS FOR DAESH: ANALYZING THE FINANCES OF AMERICAN ISIS SUPPORTERS.

This report addresses the financial component of DAESH in the U.S. between 2013 and 2020 with a special attention attached to the funding facts related to about 209 individuals charged with DAESH-related cases, or those who were sentenced in the USA for their involvement in terrorism. This report relies on a set of official data collected during the investigations related to the financial crimes of DAESH in USA, over a seven-year period. Some have engaged in additional fundraising activities to supplement their savings; about 23.4% of those surveyed in the research study engaged in legal techniques and processes (donations, asset sales, quality credits), and 6.7% resorted to illegal methods.

Supporters of DAESH in America tend to avoid using official banking institutions, such as banks; most of them instead resort to other technologies that they deem safer to conceal identity, such as cryptocurrencies or relying on other people to transfer money on their behalf.

Experts believe that DAESH is the richest terrorist group in history. At the peak of control over large swaths of territory in 2015, DAESH had more than 6 billion dollars. Although DAESH lost its control on the ground, it still maintains (even relatively) financial power. The observers and penholders of this file see that the DAESH leaders who have fled have millions of dollars that they seized from Iraq and Syria.

We do not have accurate knowledge of how much money DAESH has today, it is believed that DAESH stashes away two billion dollars, that fall into the form of private donations, taxes, ransoms and commercial revenue streams received during high days of total control between 2014-2017. For instance, in June 2014, DAESH seized control of a huge cash amount of $ 425 million, after seizing a bank in Mosul, Iraq.

Despite the rhetoric and concrete efforts from many policymakers, it soon became clear that completely cutting off the flow of money funneled to fund terrorism was a glaringly downright chimera; terrorists have invented myriad of methods to raise and transfer money, especially small amounts, in ways that are almost impossible to detect and control. More so, authorities realized that official investigations into terrorist financing may be very complex, and such challenges range from the difficulty of tracking funds over the vast USA soil to the difficulty of obtaining decisive material evidence from other states to prove the court's intent, i.e., proving that the individual or organization has prior knowledge that transferred was going to fund acts of terrorism. This was why it was difficult to stop the money flow or go through all the activities to see which were the main customers in collecting and funneling money.

In conjunction with many international partners, the United States has directly targeted various financing networks around the world. For example, on November 18, 2019, the United States included two DAESH agents in Turkey, and four companies linked to DAESH operating in Syria, Turkey, the Gulf and Europe, and included them in the blacklist of terrorism because of providing financial and service support to the terrorist organization. In 2020, the United States targeted two financial supporters of the organization in Syria and Turkey, disrupting their ability to continue collecting and transferring funds on behalf of the organization.

Financially, the analysis of the attacks in the USA shows two important aspects of terrorism: decentralization and the relative independence of perpetrators from such organizations. This study indicated that all the attacks inside the USA cost, in fact, very little money; a few thousand dollars per case. Again, perpetrators had a normal life; some used their own money to buy weapons or rent cars that were used in carrying out some attacks, and the experts found no evidence of external funding for any successful attack.

Reports Results

ISIS revenue flows have become unstable because of its lack of the territorial control that would have allowed it in the past to access lucrative oil fields and to blackmail and levy taxes on residents and businesses. Over the past three years, the Global Coalition has targeted about 30 banks and financial centers affiliated with ISIS, and destroyed tens of millions of dollars of the ISIS liquid assets. ISIS was able to control hundreds of millions of dollars in annual revenues from oil sales and agri-

cultural crops, and to impose taxes on the local population in the areas under its control in Iraq and Syria.

Outside Iraq and Syria, ISIS relied on supporters and followers, and on low-cost network attacks aimed at preserving its international image. In order to obtain financial resources, supporters used a combination of available modern technologies and other traditional methods; the goal was either to provide financial support from afar or to travel to join ISIS in conflict zones and battlefields or to launch attacks on the US soil.

The battle against ISIS has taken various methods and manifestations; it was not limited to Iraq and Syria, but was all over the world. Countries have sought to completely besiege ISIS and cut off all financing methods, even the small amounts of money coming from its supporters around the world.

This report proved that terrorist financing related to ISIS in the USA remains a limited phenomenon. Supporters of ISIS in the USA tend to collect and transfer funds in easy and traditional methods, and most transfer transactions were small amounts not exceeding thousands of dollars, with the exception of some cases, and most of the transactions inside the USA were between a few individuals who tried to avoid the banking system.

Although the strict laws issued following the 9/11 Attacks of 2001 contributed to the rapid detection of many supporters of ISIS, the authors believe that surveillance and tracking down in the USA need to be reset and modernized to keep pace with the ever-changing and renewed nature in the technical and tactical field of terrorist networks, especially the long-standing ones such as the terrorist party Hezbollah, which has more sophisticated financial apparatus within US soil.

IMCTC CELEBRATES ANNIVERSARY OF INDEPENDENCE DAY OF SIERRA LEONE

The delegate of the Republic of Sierra Leone to IMCTC celebrated the Independence Day of Sierra Leone (1961), April 27 of 2021 in the presence of IMCTC Secretary-General, IMCTC Military Commander, the delegates of the IMCTC member countries and the IMCTC staff. To this effect, the delegate of Sierra Leone made a presentation to explain the geography, history, political development and the demographic conditions of his country.

ON YEMEN UNITY CELEBRATION DAY, BRIGADIER AL-GHAZALI EMPHASIZES OUR UNITY AND ALLIANCE WILL BE VICTORIOUS

The delegates of the Republic of Yemen to IMCTC, Riyadh, held a festive celebration event, marking the thirty-one anniversary of the Yemeni Unity Day, May 25, 2021. Brigadier Fayez Al-Ghazali, head of the Yemeni delegates to IMCTC, stated that May 22 of 1990 marking the Yemeni unity between the two parts of Yemen, as the Republic of Yemen embodies the facts of the eternal history of Yemenis as one country of one voice, represents the most precious national occasion to Yemen in its entirety.

Brigadier Al-Ghazali further added Yemen strongly united will win the war started on its soil by Iran and affiliated mercenaries; the Saudi-led Arab Coalition to Support Legitimacy in Yemen will triumph, making relentlessly unremitting efforts to support Yemenis for more than half a century. Saudi Arabia, beyond compare, is a paragon of a steadfast brotherly support, par excellence.