



OFFICE OF
INSPECTOR GENERAL

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

November 20, 2023

OIG-CA-24-005

MEMORANDUM FOR DEPARTMENT OF DEFENSE
LEAD INSPECTOR GENERAL

FROM: Gregory Sullivan /s/
Audit Director

SUBJECT: Overseas Contingency Operations - Summary of Work
Performed by the Department of the Treasury Related to
Terrorist Financing and Anti-Money Laundering for the Fourth
Quarter Fiscal Year 2023

This summary provides an update on the Department of the Treasury's (Treasury) programs to combat terrorist financing and money laundering. Per your request, we provided this information in a question and answer format to help streamline the information. This information is provided by Treasury management and is not audited by Treasury Office of Inspector General.

Q1. In an unclassified, publicly releasable format, provide information on individuals and organizations sanctioned for providing support to the Islamic State of Iraq and Syria (ISIS) as follows:

- a. **Reasonable estimate of the cumulative number of individuals and organizations sanctioned (by Treasury, not cumulative with State) for providing support to ISIS since 2014.**

Treasury told us it uses the full range of its authorities to aggressively target ISIS leaders, operatives, financiers, and associated organizations around the world. These efforts have resulted in Treasury designating 174 ISIS-associated individuals and entities since 2014.

- b. **Details on individuals and organizations sanctioned for providing support to ISIS in the reporting period: July 1, 2023 – September 30, 2023.**

July 27, 2023 Designation

On July 27, 2023, Treasury sanctioned Abdiweli Mohamed Yusuf (Yusuf) for having acted or purported to act for or on behalf of,

directly or indirectly, ISIS-Somalia,¹ pursuant to Executive Order (EO) 13224.²

Yusuf served as the head of ISIS-Somalia's finance office since at least late 2019. Yusuf, a key senior member of ISIS-Somalia, meets with and reports to other ISIS leaders in Somalia, including ISIS al-Karrar office emir Abdiqadir Mumin and ISIS-Somalia emir Abdirahman Fahiye Isse Mohamud, whom the Department of State and Treasury's Office of Foreign Assets Control (OFAC) designated in 2016 and 2022, respectively. Yusuf was partially responsible for managing the revenue generated by ISIS-Somalia, has facilitated transfers for ISIS, and has played a key role in the delivery of foreign terrorist fighters (FTFs),³ supplies, and ammunition on behalf of ISIS-Somalia, which serves as a hub for disbursing funds and guidance to ISIS branches and networks across the continent.⁴

July 31, 2023 Designations

On July 31, 2023, Treasury sanctioned 18 key ISIS leaders and financial facilitators in the Republic of Maldives (Maldives), including one ISIS-Khorasan (ISIS-K)⁵ operative, and 19 Maldives-based companies, pursuant to EO 13224.⁶

Jinaau Naseem

- Jinaau Naseem (Naseem) was sanctioned for having materially assisted, sponsored, or provided financial, material, or technological support for, or goods or services to or in support of, ISIS. Naseem is the self-proclaimed leader

¹ ISIS-Somalia pledged allegiance to ISIS in October 2015 under Abdiqadir Mumin, previously a senior leader of an al-Shabaab faction operating in the Somali region of Puntland. Al-Shabaab is al-Qa'ida's principal affiliate in East Africa.

² EO 13224, "Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism" (September 23, 2001), provides a means by which to disrupt the financial support network for terrorists and terrorist organizations.

³ FTFs are individuals who travel to a State other than their States of residence or nationality for the purpose of the perpetration, planning, or preparation of, or participation in, terrorist acts or the providing or receiving of terrorist training, including in connection with armed conflict.

⁴ For additional information about the action against Yusuf, see Treasury's press release, "Treasury Designates Senior ISIS-Somalia Financer" (July 27, 2023).

⁵ ISIS-K is an ISIS affiliate in the Khorasan region, which historically encompasses parts of modern day Iran, Central Asia, Afghanistan, and Pakistan.

⁶ For additional information, see Treasury's press release, "Treasury Designates Leaders and Financial Facilitators of ISIS and al-Qa'ida Cells in the Maldives" (July 31, 2023).

of the ISIS-affiliated Addu City cell⁷ in the Maldives. Naseem has been in direct communication with ISIS-K and has provided financial support to Maldivian ISIS FTFs in Syria.

Mohamed Thasleem

- Mohamed Thasleem (Thasleem) was sanctioned for having materially assisted, sponsored, or provided financial, material, or technological support for, or goods or services to or in support of, ISIS. Thasleem has worked with Mohamad Ameen (Ameen)⁸ to provide guidance for the Addu City cell's terrorist operations. Thasleem was extensively involved in at least one of the cell's attempted attack plots. He is also connected to another ISIS-affiliated cell that attempted to assassinate the former President of the Maldives.

Faris Mohamed Didi

- Faris Mohamed Didi (Didi) was sanctioned for having materially assisted, sponsored, or provided financial, material, or technological support for, or goods or services to or in support of, ISIS. Didi is a member of the Addu City cell's operational team. In 2022, he was involved in an improvised explosive device (IED) attack plot by the cell, in addition to producing ISIS propaganda. Syria-based ISIS officials have previously attempted to facilitate the travel of Didi to Syria.

Ali Nihadh

- Ali Nihadh (Nihadh) was sanctioned for having materially assisted, sponsored, or provided financial, material, or technological support for, or goods or services to or in support of, ISIS. Nihadh is a member of the Addu City cell's operational team. Nihadh has been involved in multiple attempts of the Addu City cell to conduct terrorist attacks.

⁷ The Addu City cell is an ISIS-affiliated cell based in Addu City, Maldives, that has attempted to carry out terror plots since at least 2018, including attacks utilizing improvised explosive devices and unmanned aerial vehicles.

⁸ Ameen is a Maldives-based key ISIS-K recruiter and leader who was sanctioned by OFAC in 2019.

Mohamed Naushad Shareef

- Mohamed Naushad Shareef (Naushad Shareef) was sanctioned for having materially assisted, sponsored, or provided financial, material, or technological support for, or goods or services to or in support of, ISIS. Naushad Shareef has served as a member of the Addu City cell. He has encouraged the cell to conduct terrorist attacks and was involved in attempted attacks using IEDs.
- Sky Nova Investment and New Sun Investments Pvt Ltd were sanctioned for being owned, controlled, or directed by U.S.-designated ISIS facilitator Naushad Shareef.

Ahmed Alif Rauf

- Ahmed Alif Rauf (Alif) was sanctioned for having materially assisted, sponsored, or provided financial, material, or technological support for, or goods or services to or in support of, ISIS. Alif is a leader of the ISIS-aligned, Maldives-based criminal gang Kuda Henveyru.⁹ Alif and Ameen have been in direct contact with each other regarding ISIS coordination in the Maldives. He has used Kuda Henveyru to recruit and radicalize young men who are then sent to conflict zones.
- Street Investments Pvt Ltd, Street Motor Services, and White Beach Watersports Pvt Ltd were sanctioned for being owned, controlled, or directed by U.S.-designated ISIS facilitator Alif.

Mohamed Inthif Rauf

- Mohamed Inthif Rauf (Inthif) was sanctioned for having materially assisted, sponsored, or provided financial, material, or technological support for, or goods or services to or in support of, ISIS. Inthif is a leader of Kuda Henveyru and has played a critical role in obtaining funding to support ISIS's activities abroad.

⁹ Kuda Henveyru is an ISIS-aligned criminal gang that has attempted to fundraise for Maldivian ISIS FTFs in Syria and has carried out organized large-scale robberies to generate finances.

- Baum Pvt Ltd and Maroc International Pvt Ltd were sanctioned for being owned, controlled, or directed by U.S.-designated ISIS facilitator Inthif.

Ibrahim Aleef Rauf

- Ibrahim Aleef Rauf (Ibrahim) was sanctioned for having materially assisted, sponsored, or provided financial, material, or technological support for, or goods or services to or in support of, ISIS. Ibrahim is a leader of Kuda Henveyru. He manages Kuda Henveyru's finances and has generated funding through criminal activities. Ibrahim has also facilitated the travel of Kuda Henveyru members to conflict zones for engagement in militant activities.

Abdulla Ali Manik

- Abdulla Ali Manik (Manik) was sanctioned for having materially assisted, sponsored, or provided financial, material, or technological support for, or goods or services to or in support of, ISIS. Manik is an ISIS-aligned operative linked to several terrorist plots in the Maldives and maintains direct contact with Ameen and several of his associates. In 2020, Manik carried out a knife attack later claimed by ISIS, as well as a separate attack also claimed by ISIS that targeted the former President of the Maldives and speaker of the Maldivian parliament. He has contributed to radicalization and recruited individuals in prison since at least 2007.

Moosa Inas

- Moosa Inas (Inas) was sanctioned for having materially assisted, sponsored, or provided financial, material, or technological support for, or goods or services to or in support of, ISIS. Inas was involved in an early 2020 ISIS attack targeting police vessels at Mahibadhoo harbor, Maldives.

Abdulla Shareef

- Abdulla Shareef (Shareef) was sanctioned for having materially assisted, sponsored, or provided financial, material, or technological support for, or goods or services to or in support of, ISIS. As of early 2022, ISIS-K appointed Shareef as the ISIS emir in Maldives. Shareef, operating

under ISIS-K's directions, was also in direct contact with ISIS leadership in Syria and Iraq.

- Multi Construction Pvt Ltd was sanctioned for being owned, controlled, or directed by U.S.-designated ISIS facilitator Shareef.

Hussain Shamil and Ali Shafiu

- Hussain Shamil (Shamil) was sanctioned for having materially assisted, sponsored, or provided financial, material, or technological support for, or goods or services to or in support of, ISIS. Shamil has helped Ameen recruit individuals in Male, Maldives. As a senior Maldivian member of ISIS, Shamil has played an important role in the recruitment and radicalization of Maldivian youth for travel to Syria, Pakistan, and Afghanistan, to participate as FTFs.
- Ali Shafiu (Shafiu) was sanctioned for having materially assisted, sponsored, or provided financial, material, or technological support for, or goods or services to or in support of, ISIS-K. In late 2018, he traveled through Pakistan to Afghanistan to join ISIS-K and had previously attempted to go to Syria in 2015. As recently as 2022, he was a part of ISIS-K's media office. Ameen had previously selected Shafiu as the Maldivian representative to ISIS-K leadership in Afghanistan.
- Larosa was sanctioned for being owned, controlled, or directed by U.S.-designated ISIS facilitator Shamil.
- Panda Maldives Pvt Ltd was sanctioned for being owned, controlled, or directed by U.S.-designated ISIS-K facilitator Shafiu.
- Al Athmaar was sanctioned for being owned, controlled, or directed by U.S.-designated ISIS facilitator Shamil and ISIS-K facilitator Shafiu.

Ahmed Mubeen

- Ahmed Mubeen (Mubeen) was sanctioned for having materially assisted, sponsored, or provided financial, material, or technological support for, or goods or services to or in support of, ISIS. Mubeen has assisted Ameen in his

recruitment efforts. As a senior Maldivian member of ISIS, he counseled individuals interested in traveling to conflict zones, including Syria, to participate as FTFs.

- 3ZED Investment was sanctioned for being owned, controlled, or directed by U.S.-designated ISIS facilitator Mubeen.

Ameen Ahmed

- Ameen Ahmed (Ahmed) was sanctioned for having materially assisted, sponsored, or provided financial, material, or technological support for, or goods or services to or in support of, ISIS. Ahmed has recruited vulnerable gang members to participate in the Syrian conflict. Ahmed has also expressed a desire to fight for ISIS. He previously possessed instructions for bomb-making and poison-making.
- Inma Maldives and Jazeerat Almaldifi were sanctioned for being owned, controlled, or directed by U.S.-designated ISIS facilitator Ahmed.

Yoosuf Shaheed and Ahmed Afraah

- Yoosuf Shaheed (Shaheed) was sanctioned for having materially assisted, sponsored, or provided financial, material, or technological support for, or goods or services to or in support of, ISIS. Shaheed is an ISIS supporter who has recruited and facilitated the travel of Maldivian FTFs to Syria.
- Ahmed Afraah (Afraah) was sanctioned for having materially assisted, sponsored, or provided financial, material, or technological support for, or goods or services to or in support of, ISIS. Afraah sent nearly \$1,000 to a leader of Jamaah Ansharut Daulah.¹⁰ He also sent thousands of dollars to a Türkiye-based ISIS intermediary.
- SIAS Investment Pvt Ltd and Fruit Plus Maldives Pvt Ltd were sanctioned for being owned, controlled, or directed by U.S.-designated ISIS facilitator Afraah.

¹⁰ Jamaah Ansharut Daulah is an ISIS-affiliated terrorist group established in Indonesia in 2015 as an umbrella organization for almost two dozen Indonesian extremist groups that pledged allegiance to then-ISIS leader Abu Bakr al-Baghdadi.

- Dhawi Pvt Ltd was sanctioned for being owned, controlled, or directed by U.S.-designated ISIS facilitators Shaheed and Afraah.
- Code A Partnership was sanctioned for being owned, controlled, or directed by U.S.-designated ISIS facilitators Afraah and Ameen.

Mohamed Maathiu Abdul Razzaq

- Mohamed Maathiu Abdul Razzaq (Razzaq) was sanctioned for having materially assisted, sponsored, or provided financial, material, or technological support for, or goods or services to or in support of, ISIS. Razzaq is an associate of Ameen.
- Green Birds was sanctioned for being owned, controlled, or directed by U.S.-designated ISIS facilitator Razzaq.

c. The number, if any, of previously sanctioned individuals and/or organizations removed from the sanctions list during the reporting period: July 1, 2023 – September 30, 2023.

No sanctioned individuals or organizations were removed from the sanctions list this reporting period.

Q2. In an unclassified, publicly releasable format, describe what was done this quarter with Coalition partners in Iraq and Syria to disrupt ISIS financial networks.

Treasury told us it continues to work with interagency and Coalition partners, including the Government of Iraq, to prioritize identifying ISIS's financial reserves and financial leaders, disrupting its financial facilitation networks in the Middle East. In addition, Treasury is working to designate ISIS facilitators, front companies, and fundraisers in various countries. Treasury also takes a leadership role in the Global Coalition to Defeat ISIS, serving as a co-lead of the Counter ISIS Finance Group along with its counterparts from Italy and Saudi Arabia.

Q3. In an unclassified, publicly releasable format, describe ISIS funding in Iraq and Syria, to include what has changed since last quarter, the estimated amount of funds at its disposal, how funds are generated and distributed, and any shortfalls in the amount or distribution of funds this quarter. Include the methods ISIS uses to transfer funds into and distribute funds within Iraq and Syria.

Treasury told us ISIS Core's¹¹ revenue is declining, as the group lost millions of dollars due to pressure from Coalition forces in the Middle East. Law enforcement efforts also have disrupted financial support to ISIS members in Syria and Iraq. For example, on January 5, 2023, the United States and Türkiye jointly sanctioned a Türkiye-based ISIS financing network, which disrupted critical nodes ISIS used to transfer hundreds of thousands of dollars for its activities.¹² Due to counterterrorism efforts, ISIS Core is unable to meet its financial obligations, particularly payments to family members of deceased and imprisoned ISIS personnel; these potentially constitute the group's largest expense. Moreover, ISIS has had to pay its leaders sporadically, probably several hundred dollars per month, while skipping payments for fighters. ISIS has probably done so intentionally in order to extend the duration of its limited financing.

Despite leadership losses and financial disruptions, ISIS continues to draw from millions of dollars in cash reserves it held as of late 2022, engaging in extortion and kidnapping for ransom, and, to a lesser extent, soliciting donations via online platforms. The cash reserves are buried in physical caches and are dug up and smuggled through Iraq and Syria. In both countries, the cash enters the hawala system¹³ and can be distributed via transfers in permissive jurisdictions. The hawala networks used by ISIS in Iraq and Syria have company branches and affiliates in multiple countries; these include poorly regulated informal financial sectors where ISIS probably exploits lax identification requirements to withdraw cash. Additionally, ISIS is increasingly using virtual assets for international funds transfers. These transfer methods allow ISIS leadership to support militant operations, recruit and

¹¹ ISIS Core refers to the main portion of ISIS in Iraq and Syria, along with the key leaders of the global organization. The term is mainly used to differentiate the main ISIS leadership from the regional ISIS affiliates, such as ISIS-K and ISIS-Philippines.

¹² For additional information, see Treasury's press release, "The United States and Türkiye Take Joint Action to Disrupt ISIS Financing" (January 5, 2023).

¹³ The hawala system is a widely used form of informal value transfer system, a term used to describe those money or value transfer systems that operate informally to transfer money as a business.

maintain a loyal cadre of supporters, and secure the release of its members from detention.

ISIS Core relied on regional offices of its General Directorate of Provinces¹⁴ to provide funding and operational guidance to ISIS branches and networks around the world. General Directorate of Provinces' Bilad al-Rafidayn Office financed families and relatives of ISIS prisoners and martyrs; al-Furqan Office is responsible for West Africa and the Sahel; the Dhu al-Nurayn Office oversees North Africa and Sudan; al-Karrar Office covers East, Central, and Southern Africa, as well as Yemen; and al-Siddiq Office is responsible for South, Central and Southeast Asia. ISIS continues sending funds globally to operationally capable branches, while ISIS leaders in Iraq and Syria have increasingly emphasized to their subordinates the importance of fundraising.¹⁵

Q4. In an unclassified, publicly releasable format, describe the methodology ISIS uses to transmit and distribute funds into and out of al-Hol,¹⁶ other camps, and Syrian Democratic Forces (SDF)¹⁷ detention facilities holding ISIS detainees. Include any changes to estimates of funds transmitted, particularly to residents in al-Hol.

Treasury told us ISIS supporters use a combination of cash, the hawala system, virtual currencies, and online fundraising platforms to transfer funds, including to individuals in al-Hol. The group's supporters have gathered and sent funds to intermediaries in Türkiye who smuggle the cash into Syria or send the funds to hawala dealers operating in the camp. In al-Hol, ISIS supporters have received up to \$20,000 per month via the hawala system; the majority of those funds transfers have originated outside Syria or passed through neighboring countries such as Türkiye.

¹⁴ The General Directorate of Provinces is a series of regional offices established by ISIS to sustain the group's global capability and reputation following the defeat of the territorial caliphate.

¹⁵ For additional information, see Treasury's "Fact Sheet: Countering ISIS Financing" (June 16, 2023).

¹⁶ Al-Hol (or al-Hawl) is an internally displaced person's camp in northern Syria. It holds one of the largest concentrations of current and former ISIS members who continue to receive donations from ISIS supporters internationally.

¹⁷ The SDF is a multi-ethnic coalition of Kurdish, Arabic, and Christian fighters, created in 2015 with U.S. support. Operating in the local Autonomous Administration in North and East Syria, the SDF established itself as the West's main partner in the fight against ISIS.

Q5. In an unclassified, publicly releasable format, provide an update on any actions taken this quarter regarding the unfreezing of Afghan Central Bank assets held in the United States and the implementation of these funds for humanitarian aid for the Afghan people.

Treasury told us the Board of Trustees of the Fund for the Afghan People (Afghan Fund)¹⁸ met for the third time on June 26, 2023. The Board unanimously approved Anwar ul-Haq Ahady and Shah Mohammed Mehrabi as new Board co-chairs, effective June 27, 2023, and brought on a new Executive Secretary, Andrea Dall'Olio. The Board discussed and approved important measures to continue to operationalize the Fund, including allocating a small portion of the Fund's interest earnings toward essential operating costs, while simultaneously continuing to pursue external financing to replenish the Fund. This step is in keeping with the goal of protecting and preserving these assets on behalf of the Afghan people. In addition, the Board took the important step to deepen and diversify Afghan and international support for the Fund by agreeing to form a single international advisory committee made up of Afghan citizens, other government representatives, and international experts. The Board also reached consensus that the Fund's assets could be valuable in supporting multilateral development banks as they enhance their efforts to stabilize the financial situation and sustain macroeconomic stability in Afghanistan.

Treasury also told us that robust safeguards have been put in place to prevent any funds disbursed by the Afghan Fund from being used for illicit activity. Since the Board agreed in February to hire a compliance service provider to continue to safeguard the Fund's assets for Afghanistan's people, the Board has received proposals from potential providers and is reviewing them. The Board plans to make a final decision soon.

¹⁸ The United States, through Treasury and the Department of State, and in coordination with international partners, announced the establishment of the Afghan Fund on September 14, 2022. The Afghan Fund will protect, preserve, and make targeted disbursements of its \$3.5 billion in assets to help provide greater stability to the Afghan economy to benefit the people of Afghanistan.

Q6. In an unclassified, publicly releasable format, describe any changes this quarter to (1) licenses¹⁹ designed to facilitate the continued delivery of humanitarian assistance to Afghanistan, (2) the designation of Taliban and/or Haqqani²⁰ officials as Specially Designated Nationals, and (3) the overall sanctions regime against the Taliban.

Treasury told us OFAC did not issue any new general licenses this quarter to facilitate the continued delivery of humanitarian assistance to Afghanistan. Treasury also told us no Taliban and/or Haqqani officials were designated as Specially Designated Nationals this quarter and that the Taliban remains designated as a Specially Designated Global Terrorist under EO 13224. The Haqqani Network remains designated as a Specially Designated Global Terrorist under EO 13224 and a Foreign Terrorist Organization under section 219 of the Immigration and Nationality Act.²¹

¹⁹ A license is an authorization from OFAC to engage in a transaction(s) that otherwise would be prohibited. There are two types of licenses: general licenses and specific licenses. General licenses allow all U.S. persons to engage in the activity described in the general license without needing to apply for a specific license. A specific license is a written document issued to a particular person or entity, authorizing a particular transaction in response to a written application.

²⁰ The Haqqani Network is a Sunni Islamist militant organization primarily based in North Waziristan, Pakistan. It conducts cross-border operations into eastern Afghanistan and Kabul.

²¹ 8 U.S.C. 1189, Designation of foreign terrorist organizations.