Security Council

**Letter dated 13 November 2014 from the Chair of the
Security Council Committee pursuant to resolutions 1267 (1999)
and 1989 (2011) concerning Al-Qaida and associated individuals
and entities addressed to the President of the Security Council**

I have the honour to transmit herewith the report of the Analytical Support and Sanctions Monitoring Team established pursuant to resolution 1526 (2004) on the threat posed by the Islamic State in Iraq and the Levant and the Al-Nusrah Front for the People of the Levant, which was submitted to the Security Council Committee pursuant to resolutions 1267 (1999) and 1989 (2011) concerning Al-Qaida and associated individuals and entities, in accordance with paragraph 22 of resolution 2170 (2014).

I should be grateful if the present letter and the report could be brought to the attention of the members of the Security Council and issued as a document of the Council.

(*Signed*) Gary **Quinlan**
Chair
Security Council Committee pursuant to resolutions 1267 (1999) and
1989 (2011) concerning Al-Qaida and associated individuals and entities

Letter dated 3 November 2014 from the Analytical Support and Sanctions Monitoring Team in accordance with paragraph (a) of annex I to Security Council resolution 2083 (2012) addressed to the Chair of the Security Council Committee pursuant to resolutions 1267 (1999) and 1989 (2011) concerning Al-Qaida and associated individuals and entities

I have the honour to transmit to you the report of the Monitoring Team, pursuant to resolution 2170 (2014). The Monitoring Team notes that the document of reference is the English original.

The Monitoring Team is making 10 recommendations for consideration by the Committee. These are designed to respond to and mitigate the threat posed by the Islamic State in Iraq and the Levant and the Al-Nusrah Front for the People of the Levant.

I would like to express our thanks for the helpful assistance we have received from a range of Member States and United Nations bodies, including the United Nations Assistance Mission for Iraq and the Department of Safety and Security and the Department of Political Affairs of the Secretariat.

(*Signed*) Alexander **Evans**
Coordinator
Analytical Support and Sanctions Monitoring Team in accordance
with paragraph (a) of annex I to Security Council resolution 2083 (2012)

The Islamic State in Iraq and the Levant and the Al-Nusrah Front for the People of the Levant: report and recommendations submitted pursuant to resolution 2170 (2014)

Contents

I. Summary

1.   The Islamic State in Iraq and the Levant (ISIL)[1] and the Al-Nusrah Front for the People of the Levant (ANF)[2] pose a clear threat to international peace and security. Their brutal extremism and terrorism threaten populations in the Middle East, both people under their temporary control and those beyond. Their funding and networks of foreign terrorist fighters strengthen the transnational threat from the Al-Qaida[3] movement. Their toxic propaganda incites radicalization and murder, magnifies and exploits sectarian tensions and endangers minorities.

2.   The threat from these groups is not new. ISIL has evolved from Al-Qaida in Iraq (AQI), and is today a splinter group of Al-Qaida. ANF is a formal Al-Qaida affiliate. Both these groups openly promote their extremism and take pride in their terrorist campaigns. However, the scale of the threat posed by these groups is qualitatively and quantitatively different because of the nexus between the funding of ISIL and its control over significant population and territory and the thousands of foreign terrorist fighters from over 80 countries that have joined ANF and ISIL. Their propaganda, meanwhile, is slick, digital and produced at scale for audiences across the world.

3.   Effectively implemented Security Council targeted sanctions can play a meaningful role in disrupting ISIL and ANF. Sanctions alone are insufficient to fully respond to the threat. A comprehensive approach is required, one that properly integrates multilateral strategies with national action by Member States. The Analytical Support and Sanctions Monitoring Team established pursuant to resolution 1526 (2004) (the Monitoring Team) is making 10 recommendations for consideration by the Security Council Committee pursuant to resolutions 1267 (1999) and 1989 (2011) concerning Al-Qaida and associated individuals and entities, which include proposals for three enhanced sanctions measures to address the threat.

II. Context and methodology

4.   This report was prepared at the direction of the Security Council in resolution 2170 (2014), adopted on 15 August 2014. In that resolution, the Council directed the Monitoring Team to submit a report to the Committee within 90 days on the threat, including to the region, posed by ISIL and ANF, their sources of arms, funding, recruitment and demographics, and recommendations for additional action to address the threat.[4]

5.   The Monitoring Team is an independent group of eight experts supported by United Nations professional staff, together drawn from 14 different nationalities. The Monitoring Team has generated the analysis and recommendations that follow after close engagement with and visits to relevant Member States, both in the Middle East and more broadly, along with independent research, consultations with the private sector and non-governmental organizations and discussions with relevant

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[1] Currently listed as Al-Qaida in Iraq (QE.J.115.04). The group now describes itself as the so-called "Islamic State".
[2] Listed on the Al-Qaida Sanctions List under reference number QE.A.137.14.
[3] Listed on the Al-Qaida Sanctions List under reference number QE.A.4.01.
[4] Resolution 2170 (2014), para. 22.

United Nations actors, including its field missions. Data on ISIL and ANF remain challenging, and analysis of these groups continues to evolve. Data in this report have been validated where possible with information supplied by Member States, but detailed assessments remain a work in progress.

III. The threat

6.   Al-Qaida associated groups pose a threat to international peace and security. Nowhere is this more directly obvious in November 2014 than when assessing the impact of the two major Al-Qaida associated groups active in Iraq and the Syrian Arab Republic. These are ISIL and ANF. The first is a splinter group from Al-Qaida, the second is an affiliate of Al-Qaida. They pose immediate and long-term threats to the Middle East and beyond. ANF and ISIL originated from terrorist networks founded by veterans of previous Al-Qaida-related groups, reaching back to some key individuals who trained and fought in Afghanistan and elsewhere during the 1990s.

7.   Differences between ISIL and ANF emerged during 2013, leading to Al-Qaida core formally disassociating itself from ISIL in February 2014.[5] The two groups disagree on leadership (ANF pledges loyalty to Aiman Muhammed Rabi al-Zawahiri (QI.A.6.01) and Al-Qaida core; ISIL to Abu Bakr al-Baghdadi, listed as Ibrahim Awwad Ibrahim Ali al-Badri al-Samarrai (QI.A.299.11)).[6] They disagree on target priorities (ANF concentrates its terrorism on government forces in the Syrian Arab Republic; ISIL is pursuing a broader regional agenda beginning in Iraq and the Syrian Arab Republic, with these but preliminary steps to wider goals). Despite their differences, both groups subscribe to the underlying goals of the Al-Qaida movement. They seek to change the existing political order in the Middle East through terrorist violence, to establish a state based on a widely repudiated misinterpretation of religion, and to expel foreign influence — political, economic and ideological.

8.   ISIL and ANF have taken advantage of the instability in Iraq and the Syrian Arab Republic. In the case of Iraq, ISIL has seized on disaffection with the previous Government based on weak governance, sectarian divisions and ill-prepared security forces to advance and seize territory in the northern, western, eastern and central parts of the country.

9.   In the case of the Syrian Arab Republic, both ISIL and ANF have been actors in the ongoing civil war and have exploited the conflict to their advantage to create territorial and political space in which to operate. They have also used the Syrian conflict as a pretext to seek international donations and volunteers, generating multi-million-dollar financial resources and attracting thousands of foreign terrorist fighters.

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[5] Member State information. Also see, for example, Liz Sly, "Al-Qaeda disavows any ties with radical Islamist ISIS group in Syria, Iraq", *Washington Post*, 3 February 2014.

[6] "داعش" يعلن قيام "خلافة إسلامية" ويبايع البغدادي" (ISIS announces the establishment of a "caliphate" with Al-Baghdadi as caliph), *Alhayat*, 29 June 2014.

10. ANF has focused primarily on fighting the Government of the Syrian Arab Republic before pursuing its broader ideological goals.[7] ISIL has demonstrated less strategic patience, pursuing a conventional military campaign alongside terrorist and unconventional tactics while simultaneously violently imposing an administration based on extremist ideology in areas it controls. This has included fitful efforts to provide local services in strategic areas like Raqqa, Syrian Arab Republic and Mosul, Iraq.

A. The Islamic State in Iraq and the Levant

11. ISIL[8] is the direct descendent of AQI, whose former leader Abu Musab al-Zarqawi (killed in June 2006)[9] operated in Iraq from 2003. In October 2004, AQI pledged allegiance to Al-Qaida core and engaged in a variety of terrorist attacks, including mass casualty attacks against civilians using suicide bombers and improvised explosive devices (IEDs). AQI has been listed on the Security Council's Al-Qaida Sanctions List since 18 October 2004. Its original goal was to establish a state based on extremist ideology covering Sunni-majority parts of Iraq, but this goal expanded in 2013 to seek a larger territory incorporating parts of the Syrian Arab Republic, reflected in a new name, the "Islamic State in Iraq and the Levant". In February 2014, tensions between ISIL leaders and ANF resulted in Al-Qaida core disassociating itself from ISIL. However, these tensions were largely over questions of leadership and which strategic targets should have priority (local, regional, international) rather than divisions on fundamental ideology.

12. In June 2014, ISIL expanded its goals further when its leader, Al-Baghdadi, declared himself a "caliph" and renamed the group "Islamic State".[10] ISIL now claims authority over the entire Muslim world, a conceit that has stimulated a rallying response from a number of other groups and individuals associated with the Al-Qaida movement outside the Middle East. This response from within the Al-Qaida movement is further evidence of the underlying roots of ISIL in Al-Qaida ideology.

13. ISIL is comprised of three main groups. The first group is the core leadership, dominantly Iraqi, headed since 2010 by Al-Baghdadi. He is an Iraqi national who was previously part of AQI, rising to become deputy chief. He claims full power

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[7] One exception was imposing a so-called "sharia-based rule" on some villages and towns in the Syrian Arab Republic to demonstrate to its supporters that it could administer territory.

[8] There is a continuing debate about what to call this group. It has rebranded itself as the so-called "Islamic State", a vain ideological appeal to Muslims worldwide. Within the Arabic-speaking world, it is widely known as *Daesh*, an acronym that draws from its Arabic name — al-Dawla al-Islamiya fi al-Iraq wa al-Sham. "*Daesh* has many negative connotations, including *Daes* ('one who crushes something underfoot') and *Dahes* ('one who sows discord')." See "French Government uses Arabic '*Daesh*' for Islamic State group", *France-24*, 18 September 2014. Meanwhile ISIL and ISIS (the Islamic State in Iraq and Syria) are regularly used by others. The challenge in this case is whether to use the name the group itself currently uses, perhaps inadvertently legitimizing their ideological assault on the very concept of an Islamic state (to appeal to large numbers of Muslims), or whether to use one of the other terms (ISIL or ISIS, or the more derogatory — and resonant in Arabic — *Daesh*).

[9] "A statement from Abu Abdul Rahman al-Iraqi, Deputy Emir of al-Qaeda in Iraq, concerning the death of Abu Musab al-Zarqawi", 8 June 2006.

[10] He was formally declared "caliph" by the so-called "Shura Council". However, given he had already cleared the "Shura Council" of all his critics, this declaration was a foregone conclusion.

over ISIL, leading its military, administrative and religious wings. By using the word "caliph", Al-Baghdadi goes further and claims authority over all Muslims worldwide. The second core group consists primarily of Iraqis, with some Syrians, who have pledged loyalty to Al-Baghdadi and engage in military or administrative duties. The third core group consists of foreign terrorist fighters drawn from over 80 countries around the world, whose presence enabled ISIL to move from an organization of a few hundred to the force of thousands it is today.

14. It is impossible to arrive at a precise estimate of current strength. Member State information suggests over 20,000 fighters,[11] although some estimates run much higher.[12] It is unclear whether all those fighting with ISIL, for example, have actually pledged loyalty to the group, or are in allied militia groups, or are opportunistically aligning with ISIL, or have been forced to fight. The fall of Mosul to ISIL in June 2014 marked a major step in its organizational development.[13] It made movement between the Syrian Arab Republic and Iraq easier. Meanwhile ISIL control of much of the Iraqi/Syrian border facilitated the flow of foreign terrorist fighters[14] and cultivated new recruits through perceived success.[15]

15. Under Al-Baghdadi ISIL has a structured organization, which includes *wilayas* (Iraqi governorates under ISIL control)[16] and specific individuals assigned to a range of towns and cities.[17] Unlike some other Al-Qaida associates, ISIL exhibits a relatively decentralized structure. While Al-Baghdadi provides strategic direction (and tight operational control of selected front-line operations), significant autonomy exists for selected operational commanders and so-called civil administrators. In Baghdad ISIL claims a shadow command through an individual called the "*wali*" (governor) with separate wings under him responsible for intelligence collection, operations and security.[18]

16. Open-source reporting based on information reportedly recovered from ISIL memory drives by Iraqi authorities[19] suggests that Al-Baghdadi has two deputies, Abu Ali al-Anbari (not listed), who is responsible for Syrian Arab Republic operations, and Abu Muslim al-Turkmani (not listed), responsible for Iraq operations. Both are reportedly former senior Iraqi Army officers, which may explain the swift grasp of conventional military tactics by ISIL alongside terrorism. In addition to its presence in parts of Iraq and the Syrian Arab Republic, ISIL also has networks outside the two countries responsible for recruitment, supply and training of foreign terrorist fighters.

17. ISIL pretends to be a state, and therefore announces a range of appointments and structures designed to reinforce this misleading message. It has mimicked a civil administration by appointing judicial, internal security and communications

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[11] Information from Member States. The United States of America, for example, has publicly estimated ISIL numbers at between 20,000 and 31,500. See "How foreign fighters are swelling ISIS ranks in startling numbers", *CNN World*, 14 September 2014.

[12] Member States in the region have told the Team that precise numbers are unknowable, with some citing numbers higher than 30,000.

[13] "ISIS insurgents seize control of Iraqi city of Mosul", *The Guardian*, 10 June 2014.

[14] Information from a Member State.

[15] One Member State estimates there were 3,140 ISIL members before Mosul fell.

[16] One Member State reports that they have eight *wilayas*.

[17] Information from a Member State.

[18] Information from a Member State.

[19] "Inside the leadership of Islamic State: how the new 'caliphate' is run", *The Telegraph*, 9 July 2014.

officers. A so-called "ministry" is reportedly in charge of hosting, arming, training and ensuring the welfare of foreign terrorist fighters, under the direction of Abdullah Ahmed al-Meshedani (not listed).[20] A "*hisba*" force — a morality police — runs patrols for ISIL to ensure that its radical ideology is strictly observed.[21]

B. The Al-Nusrah Front for the People of the Levant

18.   ANF, also known as Jabhat al Nusrah, publically emerged on 24 January 2012. It was created by members of AQI, in particular Al-Baghdadi, and therefore derives from the same origins as ISIL. ANF was listed first as an alias of AQI[22] and then as a separate entity.[23] It carries out a range of terrorist attacks directed at both the Government of the Syrian Arab Republic and against civilian targets, including minorities.

19.   ANF is comprised of a core group of Syrian and Middle Eastern fighters, supported by foreign terrorist fighters from other regions, referred to as *Al Muhajiroun* (the emigrants). According to Tayssir Al Khatib (not listed), head of the ANF political bureau, the group's core leadership is mostly Syrian.[24] The majority of its fighters are in their 20s or 30s, with some younger yet. It is impossible to estimate the total number of fighters, although it runs into the thousands.[25]

20.   ANF is structured around three main branches: military, religious and political,[26] all of which are under the leadership of Abu Mohammed al-Jawlani (QI.A.317.13), the group's "general supervisor".[27] For his protection, Al-Jawlani observes strict operational secrecy, with little contact with ANF members and none with the media.[28] After ISIL declared its "caliphate", the leader of ANF announced, in July 2014, his intention to declare an "emirate" in Aleppo, with other "emirates" to be declared later in those regions under ANF control[29] in the Syrian Arab Republic. Al-Jawlani, who made this announcement in a meeting held to discuss a reorganization of ANF, called upon other groups in the Syrian Arab Republic to unite under the emirate's banner. The announcement of the "emirate" is meant to mobilize more foreign terrorist fighters (in competition with ISIL).[30] ANF has a so-called "Shura Council", tasked with establishing strategic policy as well as

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[20] Ibid.

[21] "The Islamic State (Part 3)", *Vice News*, 13 August 2014.

[22] 30 May 2013.

[23] 14 May 2014.

[24] جبهة النصرة: غالبية مقاتلينا سوريون (Jabhat Al-Nusrah: Most of our fighters are Syrians), *Al Jazeera*, 12 January 2013.

[25] For example, one Member State estimates the number of ANF fighters to be between 4,000 and 6,000 (November 2014).

[26] Information from a Member State.

[27] Although a Member State has informed the Team that ANF is experiencing difficulties in keeping control over its local command structures.

[28] Noman Benotman and Roisin Blake, "Jabhat al-Nusra: a strategic briefing" (The Quilliam Foundation, January 2013).

[29] النصرة» تعلن منطقة حلب «إمارة إسلامية (Al-Nusrah declares the Aleppo region an Islamic emirate), *Addoustour*, 13 July 2014.

[30] النصرة ترد لم نعلن الإمارة الإسلامية بعد لكننا نسعى إليها (Al-Nusrah, we have not declared an emirate, but we are seeking it), *Al-Monitor*, 18 July 2014.

theological guidelines. The council has local representatives in the areas under ANF control.

21.   The "military" branch is commanded by Hamoud Kanah (not listed), whose deputy is a Moroccan national named Mouaid Najar (not listed).[31] Initially a constellation of small cells that perpetrated low intensity attacks, the ANF military structure has evolved into larger military-style units in some Syrian regions. In the field, the structure of the units varies according to the geographical location. While urban cells operate in Damascus to avoid detection, ANF units are organized in Aleppo along "semi-conventional military lines, with brigades, regiments and platoons".[32]

22.   ANF is reportedly developing a sophisticated, well-compartmentalized operations structure.[33] The training of combatants in the Hassaka region falls under the responsibility of units led by Jordanian national Iyad Nadmi Khalil Saleh (not listed), reportedly a nephew of Abu Musab al-Zarqawi.[34] The head of the logistic support section is Anas Hasan Khattab (QI.A.336.14), alias Abou Hamzah. The "political branch" of ANF is led by Tayssir Al Khatib (not listed). The judicial branch, or "general magistrate office", is led by Mossaab Salim Ibrahim Al Kahtani (not listed), a Saudi Arabian national. It supervises local religious courts. ANF also has a governance branch, called the "general services department", in charge of providing social and governance-related services (water, electricity, food) to the population in those provinces under ANF control. Finally, its spokesperson is Redouan Nemous (not listed), also known as Abou Firass, a Syrian Afghan war veteran — another example of the linkages back to areas of Al-Qaida core activity.

C.   Short-term risks

23.   ISIL and ANF pose a significant threat to the populations resident in the territories they have seized. Both groups have a track record of summary killings of detainees, many filmed and released on social media or video-sharing sites. These killings straddle many different communities. While minorities and Shia Muslims have borne the brunt of this violence, many Sunnis have also been murdered at the hands of ISIL and ANF. There are also credible reports of rape and other forms of sexual violence. ISIL and ANF threaten health and humanitarian workers from Iraq and the Syrian Arab Republic who are trying to alleviate human suffering. They have targeted and killed journalists for simply doing their job. They have taken and murdered hostages either in efforts to generate ransom payments or for political messaging. The actions of ISIL and ANF also pose a serious threat to territorial integrity of Iraq and the Syrian Arab Republic.

24.   The presence of ISIL complicates efforts to forge a fresh political order in Iraq, despite the establishment of a new and more inclusive Government. The actions of both ISIL and ANF in the Syrian Arab Republic challenge moves towards a political settlement in a complex, violent civil war that has already lasted for over three years. Foreign terrorist fighter networks within ISIL and ANF already threaten

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[31] Information provided by a Member State.

[32] Noman Benotman and Roisin Blake, "Jabhat al-Nusra: A Strategic Briefing", *The Quilliam Foundation*, January 2013.

[33] Ibid.

[34] Information provided by a Member State.

a range of other States, with those in ANF appearing to have supported a covert network of core Al-Qaida external operations attack planners, the so-called "Khorasan group" (not listed).

D. Long-term risks

25.   The long-term risks from ISIL and ANF are many. In the region, both groups threaten civilian populations with the risk of summary executions, rape, extortion, the forced expulsion of ethnic and religious minorities, intimidation and violence towards the Sunni and Shia Muslim population, and the continuing use of IEDs and suicide bombers in indiscriminate attacks in public places. If either group continues to seize territory and dominate local populations, these risks will persist.

26.   Meanwhile ISIL will continue to exacerbate sectarian tensions through its violence towards Shia Muslims and through the killing and oppression of Sunnis who reject its warped, extremist ideology. This will likely have an impact beyond Iraq and the Syrian Arab Republic, generating tensions in the region.[35] This could have a broader impact on inter-State relations in the Middle East, in addition to increasing internal tensions among communities. The exclusivist ideology of ANF, meanwhile, also encourages violence against minorities and against many Muslims, both Sunni and Shia. The campaign against minorities has already altered the demography of Iraq and the Syrian Arab Republic; if this expanded it could threaten further pogroms against civilians and reshape the social geography of a number of countries in the Middle East.[36]

27.   The threat beyond the region derives from three primary strands. The first of these are the large and diverse networks of foreign terrorist fighters, primarily associated with ISIL but also present within ANF, that originate from over 80 countries and number over 15,000.[37] Just as ANF and ISIL were established by veterans, there is a high risk that alumni of ISIL and ANF will threaten peace and security in other countries in the months and years to come. Not all foreign terrorist fighters will pursue Al-Qaida-associated goals when they leave Iraq and the Syrian Arab Republic, but a number will, and these will engage in radicalization, recruitment and terrorist attack planning. There is also a clear intent by ISIL to target the West and a range of other Member States,[38] as demonstrated by ISIL propaganda on the Internet[39] as well as the execution of four Western hostages since August 2014 and attacks like the one in Belgium perpetrated by assailants associated operationally and ideologically with ANF and ISIL. This is also

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[35] For example, Lebanon is already experiencing some tensions as a result of this, albeit to a lesser extent than some analysts anticipated.

[36] According to the Office of the United Nations High Commissioner for Refugees, as of 30 October 2014 there were 3,023,769 registered Syrian refugees, including 23,367 Syrian refugees registered in North Africa. As of 19 September, 1.8 million Iraqis were reportedly displaced since January 2014 (statement of the Special Representative of the Secretary-General and Head of the United Nations Assistance Mission for Iraq (UNAMI) to the Security Council, 19 September 2014 (S/PV.7271, p. 3)).

[37] S/2014/770, para. 14.

[38] For example, foreign terrorist fighters have been recorded threatening Central Asian States as their "next" target.

[39] "ISIL releases new message, threatening US and its allies", *Press TV*, 22 September 2014.

supported by plans of selected foreign terrorist fighters to conduct attacks in their countries of origin.[40]

28.   A range of ethnic Chechen terrorist commanders from the Russian Federation are fighting with ANF, but with continuing loyalties to Emarat Kavkaz (QE.E.131.11). Their short-term presence in the Syrian Arab Republic should not mask their long-term objective to resume their campaign against the Russian Federation or generate new terrorist networks in Europe. ISIL fighters include experienced combat troops — veterans of conventional engagements against United States forces inside Iraq, including some former Iraqi armed forces members, both pre- and post-2003. The transfer of skills from these to incoming foreign terrorist fighters represents another dimension of the threat. Moreover, in the case of ISIL, the potential to use seized funds to resource future terrorist attacks is another risk, and may even be a factor in some of the more opportunistic announcements of affiliation by Al-Qaida-associated groups.[41]

29.   The second is the power of the toxic ideology of ISIL and ANF, neatly packaged in digital propaganda available in varying forms and many languages. This radicalizing material, from videos to social media feeds, from online magazines to cults of personality anchored around deceased terrorists, could help sustain a new wave of actions related to the Al-Qaida movement. ISIL propaganda, meanwhile, is setting a new standard within the Al-Qaida movement. Its Al-Hayat Media Centre is a sophisticated operation. Its videos are professionally produced, and its materials are translated into a number of different languages.

30.   However, in contrast to Al-Qaida core, which has largely centralized the production and dissemination of its propaganda message, ISIL is taking full advantage of a plural and decentralized social media environment. Using a crowd-sourcing strategy, ISIL produces digital propaganda in greater volumes and with greater frequency than other groups. This diversification complicates attempts to attack the ISIL messaging campaign. One speech by ISIL spokesman Abou Mohamed Al-Adnani (QI.A.325.14), for example, was translated into seven languages (English, Turkish, Dutch, French, German, Indonesian and Russian).[42] Counter-terrorism officials from a number of Member States have expressed their concern about the high quality and rapid spread of ISIL propaganda material, which is often distributed (and reposted) even in countries with no past presence of Al-Qaida cells.[43] Social media are also used extensively to recruit, promote, propagandize and publically display and glorify extreme violence to intimidate opponents and critics of ISIL.

31.   The temporary progress of ISIL has already excited a wave of emulation by other groups, including networks outside the Middle East. A series of declarations of allegiance to ISIL from groups in locations as varied as North Africa, South Asia and South-East Asia point to the widespread influence of ISIL. It also threatens to provoke further so-called "lone wolf" attacks in which self-radicalized individuals launch difficult-to-anticipate terrorist attacks.[44] ISIL branding has already appeared in a viral wave of "selfies" at a range of international locations, suggesting that ISIL

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[40] Information provided by a Member State.

[41] Information provided by a Member State.

[42] Mustapha Ajbaili, "How ISIS conquered social media", *Al Arabiya News*, 24 June 2014.

[43] Information provided by a Member State.

[44] Several such plans associated with ISIL propaganda have already been disrupted by Member State authorities.

rhetoric has the ability to animate a small but scattered cross-section of international youth.[45] One risk from this radicalizing ideology is the rise of less visible radicalization. A wide range of non-combatants provide critical support to Al-Qaida networks in the form of propaganda, funding, recruitment, facilitation, advice on travel and equipment and the cultivation of community support.

32. The third threat derives from operational innovation that has taken place during the fighting in Iraq and the Syrian Arab Republic, including the technically advanced use of "tunnel bombs" to target high-value security force buildings among other targets.[46] The depth of veteran experience among local and foreign terrorist fighters runs the risk of creating a long-wave, transnational cadre and mobile pool of expert terrorists who can combine terrorist, guerrilla and conventional tactics when planning attacks.

33. The impact of the ISIL phenomenon will be long-term and likely substantial, even in the event of the group's progress being rapidly and comprehensively reversed in late 2014. The parallel with previous conflicts involving Al-Qaida networks, such as the one in Afghanistan, is striking, as the international community continues to grapple with its after-effects decades later.

34. At the time of writing, ongoing airstrikes by a coalition of Member States could disrupt the conventional capabilities of ISIL and ANF and make the groups revert to more asymmetric attacks. If ISIL is pushed back inside Iraq and the Syrian Arab Republic, it is likely to seek fresh avenues to advance its goals through organizing terrorist attacks elsewhere. ISIL has pursued a strategy of "shock and awe" to create fear, attract supporters and establish its primacy within the overall Al-Qaida movement. If successful, the ISIL brand may even supplant that of Al-Qaida, reinvigorating a movement that has seen its core weakened in recent years.[47]

E. Reactions in the Muslim world

35. The vast majority of Muslims and *ulema* (Muslim scholars) reject the ISIL ideology. Al-Baghdadi's usurpation of the title of "caliph" and the extreme brutality shown by ISIL sparked a wave of condemnations from *ulema*, who have condemned ISIL and warned against the "*fitna*"[48] (sedition and disorder) created by the group. *Ulema* and intellectuals from across the Muslim world, both in Iraq[49] and from the

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[45] Whether real or digitally simulated, this feeds the narrative of transnational reach. Some posts may reflect young people trying to be provocative or rebellious rather than represent substantive expressions of support for ISIL.

[46] The tactic is an old one, but the scale and frequency of massive tunnel bombs is new.

[47] Much will depend here on the ability of ISIL to persuade other groups to use its branding and goals, particularly given the loose affiliations of many Al-Qaida-related groups. At the time of writing, it is too early to call. While some Al-Qaida-related groups and individuals have declared support for ISIL, there are also a range of "hedging" statements expressing solidarity but seeking to maintain the broader shared goals of the Al-Qaida movement. However, it is likely that the next generation of Al-Qaida networked leaders and individuals will likely come in part from the veterans of the foreign fighters with ISIL and ANF.

[48] مجلس علماء باكستان يحذر من فتنة تنظيم داعش (Pakistan's clerics council warns against ISIL's sedition), *Alyoum*, 3 October 2014.

[49] "Iraqi clerics denounce ISIL in Friday sermons", *Al-Shorfa*, 24 October 2014.

International Union of Muslim Scholars[50] to a group of Al-Azhar scholars,[51] have mobilized against ISIL, demonstrating how limited its support base is and how extreme its ideology. More than 120 Muslim scholars around the world have also signed an "Open Letter to Al-Baghdadi" refuting the biased interpretations of religion made by ISIL and denouncing its acts as un-Islamic. The letter underlines that Al-Baghdadi has "misinterpreted Islam into a religion of harshness, brutality, torture and murder […] This is a great wrong and an offence to Islam, to Muslims and to the entire world".[52] Meanwhile a campaign started by Muslims in Britain called "Not in my name"[53] has inspired protests against ISIL by a range of Muslims in multiple countries including the United Kingdom, Egypt, Morocco,[54] Lebanon, Italy, Belgium, Norway, Germany and France.[55]

IV. Sources of arms

A. Strategic assessment

36.   There are no reliable or confirmed estimates of the amount of conventional arms under the control of ISIL, although relevant Member States agree that the quantities seized are in excess of those required for a militia, and better match those of a military force. No Member State is able to provide information on what was destroyed or lost in fighting and what was seized by ISIL. Only a few Member States provided information on the current operational capabilities of ISIL and ANF (relating to expertise, spare parts and maintenance).

37.   A high-confidence judgement is that ISIL and ANF are very well-armed groups, primarily as a result of operating in a conflict zone awash with conventional weapons. ISIL is particularly well-armed given its access to extensive supplies of heavy weapons seized from the Government of Iraq. It also has fighters with experience in conventional warfare who are well-versed on a range of weapons systems, including the use of tanks and artillery.[56] The arms and ammunition come from stored materials that date back to the 1980s and 1990s, along with more recent supplies. Most supplies have either been seized from the armed forces of Iraq or (to a lesser extent) the Syrian Arab Republic, or have been smuggled to ISIL and ANF, primarily by routes that run through Turkey.[57]

38.   The situation in the Syrian Arab Republic since 2011 and the internal conflict in Iraq since 2003 have generated a significant rise in the demand for arms.[58] An extensive informal economy in the region has evolved to smuggle arms, and this

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[50] Shafik Mandhai, "Muslim leaders reject Baghdadi's caliphate", *Al Jazeera*, 7 July 2014.

[51] "Egypt's top religious authority condemns ISIS", *Al Arabiya*, 12 August 2014.

[52] "Open letter to Al-Baghdadi".

[53] "British Muslims' message to ISIL: Not in my name!", *Euronews*, 25 September 2014.

[54] "Machi bessmity" cette violence!", *Les Eco*, 12 October 2014.

[55] See, for example, Cordélia Bonal, "En Europe, des voix se lèvent contre l'Etat islamique", *Libération*, 25 September 2014.

[56] Conflict Armament Research, "Islamic State weapons in Iraq and Syria: analysis of weapons and ammunition captured from Islamic State forces in Iraq and Syria", dispatch from the field (London, September 2014).

[57] Information provided by UNAMI and a Member State.

[58] See, for example, Rebecca Collard, "Iraq fighting is driving weapons prices through the roof", *Time*, 19 August 2014.

criminal infrastructure exists today.[59] If extensive government arms stocks and criminal smuggling networks were not enough, these are layered on top of existing traditions of weapons ownership among sections of the rural population, as in Iraq.[60]

39. Both ISIL and ANF have seized military assets from conventional armies. The scale of these seizures can be grasped by noting that ISIL, in June 2014, captured vehicles, weapons and ammunition sufficient to arm and equip more than three Iraqi conventional army divisions.[61] These arms were seized from Iraqi Government stocks mainly in Anbar and Salah al-Din provinces but also in Mosul, Kirkuk and Diyala.[62] This followed on from an estimated 30 per cent of soldiers and volunteers deserting their positions and abandoning their weapons.[63] A large proportion of ISIL-seized Iraqi army equipment (although significantly smaller than initial seizures in June 2014)[64] has been captured since June 2014.

40. Several Member States have reported that arms dispatched into the Syrian Arab Republic by actors in the region and beyond have ended up in the hands of ISIL and ANF. There are also allegations that both groups appear to have captured or diverted arms from or traded for arms with other armed opposition groups.[65] There is always a risk that weapons supplied for one purpose may be stolen or diverted for another.[66] This means effective end-user controls, along with Member State records of lost or stolen materials, remain important in limiting inadvertent supplies to Al-Qaida associates. Identification data have reportedly already been removed from some weapons captured in the Syrian Arab Republic.[67]

B. The Islamic State in Iraq and the Levant

41. From social media and other reporting, it is clear that ISIL assets include light weapons, assault rifles, machine guns, heavy weapons, including possible man-portable air defence systems (MANPADS) (SA-7),[68] field and anti-aircraft guns,

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[59] Information provided by a Member State.

[60] Information provided by UNAMI.

[61] Information provided by UNAMI.

[62] John Blosser, "US Weapons weapons now in hands of ISIS", *Newsmax*, 8 September 2014.

[63] Information provided by UNAMI.

[64] Princy George, "Analysis: Why has the Iraqi army struggled to counter ISIL advance?", *Jane's Defence Weekly*, 16 June 2014. The article mentions that "images coming out of ISIL-captured areas appear to show numerous destroyed and captured [Iraqi Army] armoured vehicles". According to the analysis, "the [Iraqi Army] is primarily a light infantry force, with its sole armoured division at Taji, north of Baghdad".

[65] Based on information from Member States.

[66] A range of previous conflicts have seen weapons seized, looted or traded into the hands of Al-Qaida associated groups, so this is a known risk.

[67] Conflict Armament Research, "Dispatch from the field Islamic State weapons in Iraq and Syria — Preliminary findings from an examination of weapons and ammunition captured from IS in Iraq and Syria between mid-June 2014 and early August 2014" (London, September 2014).

[68] SA-7s were reportedly used in a strike against a cargo plane in Baghdad in November 2003, along with an attempted attack in Kenya (November 2002). The threat to civil aviation from these weapons is significant. Both Iraq and the Syrian Arab Republic reportedly have SA-7s or similar missile systems in their government stocks.

missiles,[69] rockets, rocket launchers, artillery, aircraft, tanks (including T-55s and T-72s) and vehicles, including high-mobility multipurpose military vehicles. Hundreds of high-mobility multipurpose military vehicles belonging to the Iraqi army and the police were seized by ISIL.[70] ISIL has seized and used MANPADS[71] against Iraqi forces,[72] but there is little information on how many, their origins or how operative the equipment will be.[73]

42.   ISIL has made extensive use of light and armoured vehicles[74] to sustain highly mobile tactics,[75] rather than relying on less manoeuvrable battle tanks or heavy artillery.[76] The current air campaign is likely to see ISIL continue this.[77] ISIL also appears to be using mines to hinder the advance of the Iraqi army.[78]

C.   The Al-Nusrah Front for the People of the Levant

43.   ANF is more dependent on continuing fresh supplies of weapons and ammunition than ISIL. It has relied on smuggled supplies along with materials captured from the Syrian army. For example, ANF fighters seized arms depots in the Rif Dimashq Governate of the Syrian Arab Republic in 2013[79] and were also involved, with other groups, in an operation that led to the capture of a large arms depot in Aleppo on 15 March 2013.[80]

44.   Arms sales to other opposition groups in the Syrian Arab Republic have also been indicated as a source of financial resources; however, the proportion of such income has likely decreased in the last few months.[81] ANF has claimed, through social media, that it has established a weapons factory, the "Baas Foundation for Military Manufacturing and Development", which reflects growing capabilities and

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[69] See, for example, Jeremy Bender, "As ISIS routs the Iraqi Army, here's a look at what the jihadists have in their arsenal", *Business Insider*, 8 July 2014.

[70] Information provided by a Member State.

[71] See, for example, Matt Schroeder, "Fire and forget: the proliferation of man-portable air defence systems in Syria", *Small Arms Survey Issue Brief No. 9*, August 2014.

[72] "Un hélicoptère de l'armée irakienne s'écrase, l'équipage tué", *Agence France-Presse*, 8 October 2014.

[73] Battery supply appears to be a problem, although there is a press report that armed groups in Syria are developing rechargeable batteries for SA-7s. If true, this could increase the ongoing threat from man-portable air defence systems. See, for example, C.J. Chivers, "A Syrian rebel advance off the battlefield: a longer-lasting battery for missiles*"*, *The New York Times*, 25 July 2014.

[74] According to a Member State, ISIL has captured around 250 vehicles.

[75] Information provided by UNAMI.

[76] In a few cases they use captured armour, but in most high-mobility multi-purpose wheeled vehicles are used as the vanguard followed by technical trucks with retrofitted heavy machine guns or anti-air cannons. Source: UNAMI.

[77] Information provided by two Member States.

[78] Information provided by a Member State.

[79] "Militants seize arms depots in Syria's Rif Dimashq in 2013", *Jane's Terrorism Watch Report*, 20 March 2013.

[80] "Islamist militants seize large arms depot in Syria's Aleppo", *Al-Monitor*, 20 March 2013. According to the article, several Kolomna KBM 9K11 Malyutka anti-tank guided weapons, a large number of what appeared to be crates of 122mm Grad rockets, 82mm tank shells and small-arms ammunition appeared in video footages.

[81] Information provided by a Member State.

expertise.[82] This may also reflect supply pressures. ANF is likely to have access to man-portable air defence systems, given that several models have reportedly been captured by armed groups in the Syrian Arab Republic.[83] Such systems range from 40-year-old first-generation systems to third-generation ones, according to Small Arms Survey's recent analysis. Some of these systems are reportedly designed to engage targets at an altitude reaching 3,500 m.[84]

D. Improvised explosive devices

45. There is a long history of ISIL, and previously AQI, using improvised explosive devices (IEDs). These have become extremely sophisticated since 2008. Recently ISIL has continued to use IEDs and vehicle-borne IEDs, along with explosively formed penetrators, considered one of the most dangerous threats because they are undetectable by mine-resistant ambush protectors.[85] The Monitoring Team has also received information of cases of chemicals and poison-coated metal balls being used in explosions to inflict further damage and casualties.[86] ANF is reported to use significant volumes of explosive remnants of war as main charges in suicide vehicle-borne IEDs, whereas ISIL appears to use large amounts of trinitrotoluene (TNT) and ammonium nitrate to produce large vehicle-borne IEDs, which is currently the main threat to Iraqi forces.[87]

46. ISIL has taken control of a range of Iraqi and Syrian Arab Republic Government military camps. These include training camps in the Mosul region, as well camps in the eastern region of Iraq.[88] A significant number of camps are located in the Anbar and Ninewa provinces (for example, Jazzera and Tharthar regions).[89] ISIL is also likely to have seized arms at these locations. ISIL is reported to control air bases in both the Syrian Arab Republic[90] and Iraq.[91]

E. Sustainability of arms supply and resupply

47. According to different sources, the amounts of Iraqi small arms and ammunition captured by ISIL are sufficient to allow ISIL to continuing fighting at current levels for six months to two years.[92] ISIL should have few problems maintaining state-of-the-art materials seized from the Iraqi Government, as most were unused. ISIL also appears comfortable with older Russian heavy military equipment seized in the Syrian Arab Republic due to the availability of spare

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[82] "Jabhat al-Nusra starts its own weapons factory", *Al-Monitor*, 24 April 2014.

[83] Matt Schroder, "Fire and forget" (see footnote 72 above).

[84] Christopher F. Foss and James C. O'Halloran, eds., *Jane's Land-Based Air Defence 2011-2012*, (Coulsdon, Surrey, United Kingdom, Jane's Information Group, 2011).

[85] Stephane Taillat "Is power powerless? US military actions in Iraq (2003-2008)", PhD dissertation, Université Paul Valéry — Montpellier III, 2013.

[86] Information provided by a Member State and an international organization.

[87] Information provided by a Member State and technical experts.

[88] Information provided by a Member State.

[89] Information provided by UNAMI.

[90] See, for example, "Islamic State militants capture key Syrian air base — giving them open road to the sea and massive store of weapons and ammunition", *Mail Online*, 24 August 2014.

[91] Information provided by a Member State.

[92] Information provided by two Member States.

parts.[93] However, ISIL did destroy some main battle tanks to prevent the Iraqi Army from recapturing and using them.[94] Meanwhile the maintenance of complex and sophisticated weapons systems may prove too much of a challenge for ISIL.

48. ANF will likely face greater sustainability challenges given its strong dependence on external supply networks. However, this may prove a factor in renewing functional ties between ISIL and ANF, if ANF needs to deal with ISIL to access arms.

F. Emerging risks

49. Although unlikely in the short term, should ISIL and ANF come under existential pressure in Iraq and the Syrian Arab Republic, the temptation to use non-conventional or high-impact weapons will grow. ISIL has exhibited a capacity for tight operational security and innovation at the strategic level, including the use of drones.[95]

50. Owing to the considerable technical and scientific challenges involved in the development, acquisition and use of nuclear devices, the risk of ISIL acquiring or producing such a device is extremely low. However, ISIL does have access to sites where chemical agents have historically been produced or stored, including the Muthanna site, although experts are confident that ISIL currently lacks the capability to fully exploit material it might have seized.[96] ISIL is judged to have no capacity in the short to medium term to manufacture weapons of mass destruction.[97] ISIL controls some precursors, including chemical munitions such as artillery and mortar shells captured from military bases in northern Iraq.[98] There could also be a degree of biological risk given that ISIL now controls areas that contain a variety of facilities, including those at the University of Mosul.[99] ISIL could use laboratories to try to develop chemical or biological capabilities in the longer term.

51. Finally, even a sustained degrading of ISIL and ANF heavy weapons and vehicle assets cannot mitigate the effect of the significant volume of light weapons in the hands of both groups and the extensive supplies of ammunition in the hands of ISIL. Even without territory, both ISIL and ANF could pose a continuing threat to international peace and security.

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[93] Information provided by a Member State.

[94] Information provided by a Member State.

[95] Judikael Hirel, "Syrie l'EI conquiert une base grâce à un drone de 450 euros", *Le Point*, 31 August 2014.

[96] Stephen Hummel, "The ISIL's theft of WMD components in Iraq", *Combating Terrorism Center Sentinel*, vol. 7, No. 7 (July 2014).

[97] Dina Esfandiary and Matthew Cottee, "The very small Islamic State WMD threat", *Bulletin of the Atomic Scientists*, 15 October 2014.

[98] Information provided by UNAMI.

[99] Information provided by a Member State.

V. Sources of funding

A. Strategic assessment

52. ISIL is a self-sufficient organization with diversified funding streams. It has seized considerable assets in both Iraq and the Syrian Arab Republic and benefits from a substantial continuing revenue flow gained from a range of sources, including the sale of crude oil, kidnapping for ransom, extortion and — to a lesser extent today — donations. Evidence-based analytics remain challenging given continuing information gaps, as is clear from the range of Member State estimates shared with the Monitoring Team along with broader public discussion on financing. The sources of ANF income are even more opaque. ANF lacks the range and depth of financial sources that ISIL enjoys. Currently it seems to depend to a greater degree than ISIL on external donations, primarily from outside the Syrian Arab Republic. However, it has derived significant income from kidnapping for ransom.

53. A significant unknown is how much money ISIL is expending on a daily basis, in particular following the launch of a multilateral coalition military campaign against it, in addition to continuing action by Government authorities in Iraq and the Syrian Arab Republic.

54. Since the initial analysis of the funding streams for ISIL and ANF points to important differences in the way each group generates assets, sanctions measures targeting the financing of both groups must be tailored to their individual funding structure. Furthermore, these measures have to take into consideration the challenges of regulating the perimeters of ISIL- and ANF-controlled territory. Where active combat continues, international borders or internal perimeter controls are unlikely to be fully effective. However, the analysis below suggests that Security Council sanctions could be an important global instrument to disrupt both ISIL and ANF. In the case of ISIL, sanctions can help squeeze revenue options for the group by disrupting the sale of specific commodities (for example, crude oil and antiquities). In the case of ANF, sanctions can be used to target external financiers and crack down on illicit ransom payments made in breach of the Al-Qaida sanctions regime.[100]

B. The Islamic State in Iraq and the Levant

55. ISIL has been branded by the media as the world's wealthiest terrorist organization.[101] Estimates of the assets under its control are difficult to quantify given the challenge in confirming the amount of assets ISIL has stolen from individuals and entities in territories under its control.

56. ISIL also has a number of continuing revenue streams. The bulk of its funds appears to come from its control of oil fields in Iraq and the Syrian Arab Republic, but other revenue streams such as extortion or "taxation", outright theft and kidnapping for ransom remain important. Donations appear to remain a source of

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[100] For example, as mentioned by the Security Council in resolution 2083 (2012), para. 6, resolution 2161 (2014), para. 7 and resolution 2170 (2014), para. 17.

[101] See, for example, Amanda Macias and Jeremy Bender, "Here's how the world's richest terrorist group makes millions every day", *Business Insider*, 27 August 2014; and Helen Lock, "How ISIS became the wealthiest terror group in history", *The Independent*, 15 September 2014.

income, albeit limited compared to its other revenue streams. ISIL may even be able to raise funds by selling wheat, and there are reports (including an acknowledgment in the group's own propaganda) that it traffics women and children.

1. Oil

57.   ISIL operates within the territory of two Member States that have major energy resources and has control over a number of oil fields as well as related infrastructure. The Monitoring Team has reached out to various oil industry representatives and experts and has discussed these issues with a range of Member States in September and October 2014 in addition to reviewing information in the public domain. The situation on the ground is fluid, thus reliable estimates are hard to establish. Meanwhile air strikes against ISIL that commenced on 8 August 2014 and continue at the time of writing mean that any estimates could become outdated very quickly. Furthermore, ISIL is likely to be adapting its methods and tactics in response to the air strikes. Estimates in the public domain and those provided by Member States have varied and are dependent on various underlying assumptions. What is clear, however, is that ISIL production from oil fields in Iraq and the Syrian Arab Republic is nowhere near the production capacity of those oil fields.

58.   According to a number of sources, the most significant source of continuing revenue for ISIL comes from oil sales and its ability to leverage established smuggling networks. A 2008 report referred to commodity "smuggling" between Iraq and the Syrian Arab Republic as "long-standing" and "vital to the welfare and prosperity of the populations of western Iraq and eastern Syria since the two states were formed".[102] Several regional Member States confirmed the long-standing nature of commodity smuggling networks.

59.   One Member State estimates that ISIL is able to produce approximately 47,000 barrels per day from oil fields under its control in northern Iraq and the Syrian Arab Republic, with most of the output coming from fields in the Syrian Arab Republic. Most of that country's pre-war crude oil production capacity comes from oil fields in the territory under ISIL control,[103] whereas the majority of Iraq's crude oil production comes from fields in the south that are not under ISIL control.[104] Estimates in the press have included even higher per-day production,[105] while the International Energy Agency provided a lower estimate in October.[106]

60.   ISIL extracts crude oil from the oil fields under its control and sells it to smuggling networks and middlemen. Estimates of the price that ISIL is able to reap per barrel at the wellhead vary. What is clear is that ISIL has to settle for a price that is significantly marked down from international prices and fluctuates according to

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[102] Brian Fishman and others, *Bombers, Bank Accounts, and Bleedout* (Combating Terrorism Center at West Point), p. 86.

[103] Information provided by a Member State.

[104] United States Energy Information Administration, "Iraq", last updated 2 April 2013. Available from www.eia.gov/countries/cab.cfm?fips=iz.

[105] See, for example, "Islamic State: US releases oil refinery strikes images", *BBC*, 25 September 2014.

[106] The International Energy Agency report indicated that the air campaign over Iraq and the Syrian Arab Republic has degraded the ability of ISIL to run oil fields and refineries, disrupted its smuggling operation, and "cut back a vital source of fuel and funding for [the ISIL] offensive". The report cites a figure of about 20,000 barrels per day. International Energy Agency, "Oil market report", 14 October 2014, p. 20.

local as well as global market conditions. On the basis of various sources, the Monitoring Team believes that a range of $18 to $35 per barrel is credible.[107] However, as the price of crude oil declines,[108] the amount that ISIL is able to obtain may decline as well. Using the range of $18 to $35 per barrel and the Member State estimated production of 47,000 barrels per day, ISIL's estimated potential revenue from crude oil ranges from $846,000 to $1,645,000 per day.

61.   However, this estimate does not take into account any potential production costs or any crude oil that is utilized by ISIL for its own operations. ISIL needs crude oil itself, if only for essential logistics and in support of its terrorist campaign. It is also unclear how much crude oil is provided or sold to the population living within ISIL territory. Furthermore, the air campaign could be affecting the amount of money ISIL is able to raise through smuggling.

62.   Member State estimates of ISIL income generation from oil smuggling vary. For example, one Member State indicated a range of $250,000 to $1.5 million earned per day from crude oil sales, while another Member State informed the Monitoring Team that ISIL is able to generate about $411,000 per day from oil smuggling after accounting for internal consumption. The variety of Member State estimates illustrates the uncertainty and fluidity of the state of affairs on the ground in ISIL-controlled territory.

63.   It appears that some employees at the fields may have stayed on at their original worksites or have been relocated to other sites to run the fields (perhaps through threats and intimidation), as actual members of ISIL are unlikely to have the technical expertise.[109] It is, however, unclear how many have stayed on, how many have fled and how much they are getting paid, if anything.[110]

64.   The Monitoring Team has received information that crude oil and refined products sold by ISIL are being smuggled using barges, large groupings of barrels and small-diameter piping typically used in irrigation.[111] Other methods such as mules and agricultural equipment have also been reported.[112] However, according to multiple sources, the predominant method for smuggling crude oil appears to be the use of tanker trucks. It has been reported that there are an estimated 210 tanker trucks being used to smuggle ISIL-sourced oil,[113] although the exact number is unknown. Many such trucks are not actually operated by ISIL but by private middlemen,[114] making precise enumeration even more challenging. It is important to note that the trucks that carry crude oil from ISIL-controlled territory often return with refined product.[115]

65.   Sanctions measures cannot prevent this trade entirely. Smuggling networks are long-established, borders and road routes are porous (or are actively being fought

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[107] Based on discussions with Member States, energy experts and open source material.

[108] International Energy Agency, "Oil market report", 14 October 2014.

[109] Information provided by Member States. See also, Ahmed Rasheed, "Oil smuggling finances Islamic State's new caliphate", *Reuters*, 23 July 2014.

[110] This situation may differ between Iraq and the Syrian Arab Republic.

[111] Information provided by a Member State.

[112] See, for example, Benoit Faucon and Ayla Albayrak, "Islamic State Funds Push into Syria and Iraq With Labyrinthine Oil-Smuggling Operation", *The Wall Street Journal*, 16 September 2014.

[113] John Defterios, "ISIS' struggle to control its oil riches", *CNN*, 4 September 2014.

[114] Information provided by Member States.

[115] Information provided by a Member State.

over), and where there is a profit incentive, illicit trade invariably follows. The Monitoring Team has, however, identified disrupting the tanker trucks available to ISIL and its allied smuggling networks as a point of vulnerability.

66. ISIL had established some refining capability in the Syrian Arab Republic and has processed crude oil through mobile refineries into diesel and other refined products.[116] ISIL needs refined products for its own operations and for other internal uses. However, modular refineries have been targeted by coalition air strikes,[117] and it is unclear how much of the refining capability of ISIL remains. As the ability of ISIL to refine crude oil declines, it is possible that it will try to "import" more refined product. This would make ISIL more dependent on being able to import at scale: once again, tanker trucks become a valuable resource. Enhanced sanctions targeting tanker trucks frequenting ISIL-controlled territory will not prevent smuggling networks from illicitly transporting and trading oil and refined oil products, but they may increase the frictional cost to ISIL and smugglers, driving up costs and reducing supply.

67. Oil wells are not the only source of product for ISIL. While ISIL has no direct control over major pipelines that it could use to export crude oil, it has seized parts of the pipeline network in the region.[118] Of crucial importance here is the stored crude oil that sits within the pipeline network and storage facilities under ISIL control. One Member State indicated that ISIL had recovered an estimated 2.5 to 3 million barrels of oil from storage facilities and pipelines in territory under its control.[119] This is a substantial reserve and could be used for some time.

2. Extortion and theft

68. ISIL promotes a propaganda of virtue but practices vice. Extortion and theft are two major sources of financing for ISIL. Despite its propaganda of service delivery, ISIL is deceptive about the scale of its extortion and robbery.[120]

69. One example comes from Mosul, where ISIL was extorting funds from citizens and businesses long before it seized control of the city.[121] According to a Member State, ISIL raises as much as several million dollars per month through extortion.[122] This extortion takes place among residents of all religions and affiliations, demonstrating that ISIL exploits all the civilians that come under its temporary control. According to a Member State, all businesses in territory under ISIL control, whether Sunni-owned or otherwise, are "taxed" in an organized and consistent manner. Similarly, according to another Member State, "[i]n Iraq and Syria, ISIL

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[116] Information provided by Member States.

[117] See, for example, Mariam Karouny and Ayla Jean Yackley, "Air strikes said to hit Islamic State oil refineries in Syria", *Reuters*, 29 September 2014.

[118] Information provided by a Member State.

[119] See also, International Energy Agency, "Oil market report", "Oil Market Report", International Energy Agency, 14 October 2014, p. 20.

[120] One Member State estimates that 8 to 10 per cent of ISIL revenue is generated through extortion.

[121] Harith al-Qarawee, "Al Qaida sinks roots in Mosul", *Al-Monitor*, 24 October 2013.

[122] David S. Cohen, United States Under Secretary for Terrorism and Financial Intelligence, "Attacking ISIL's financial foundation", statement made at the Carnegie Endowment for International Peace, 23 October 2014.

extracts payments from those who pass through, conduct business in, or simply live in the territory where it operates".[123]

70. Minority groups have, however, been a particular target of ISIL.[124] For example, it has been widely reported that ISIL presented Christians in Mosul with three choices: to convert, to pay a tax called *jizya*, or face death.[125] Christians in ISIL-controlled areas in the Syrian Arab Republic were also ordered to pay *jizya*.[126] The targeting of certain groups is not a new tactic for ISIL; a study of the finances of AQI in Anbar province in 2005 and 2006 based on seized financial records found that the group raised funds by targeting those it deemed to be "apostates".[127]

71. Extortion and looting contribute to continuing revenue, but ISIL also has significant control of assets through its occupation of territory. There have been numerous reports that ISIL has seized vast amounts of assets from the Mosul branch of the Central Bank of Iraq. Moreover, it is impossible to accurately estimate the value of possessions that ISIL has stolen from the people in territory under its control.[128] ISIL could also attempt to sell items seized from factories in industries including construction, textiles and electrical equipment.[129] AQI similarly raised substantial revenue in earlier years through the sale of stolen goods such as construction equipment, generators and electrical cables.[130] If ISIL sought to sell the goods and valuables it has looted, or other assets that have fallen under its control (for example, luxury vehicles, weapons or consumer goods) it could generate further income.

3. Antiquities

72. On the issue of antiquities looting, the Monitoring Team has consulted with the United Nations Educational, Scientific and Cultural Organization (UNESCO), the World Customs Organization (WCO) and relevant academic and other experts.[131] Open-source reporting also indicates that ISIL has been generating

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[123] Ibid.

[124] See, for example, Nour Malas and Maria Abi-Habib, "Islamic State economy runs on extortion, oil piracy in Syria, Iraq", *The Wall Street Journal*, 28 August 2014.

[125] See UNAMI and Office of the United Nations High Commissioner for Human Rights, "Report on the protection of civilians in armed conflict in Iraq: 6 July-10 September 2014" (Baghdad, 2014), p. 11. See also Imran Khan, "Iraq Christians get Islamic State's warning", *Al Jazeera*, 19 July 2014.

[126] See, for example, Richard Spencer, "Militant Islamist group in Syria orders Christians to pay protection tax", *The Telegraph*, 27 February 2014.

[127] Benjamin Bahney and others, *An Economic Analysis of the Financial Records of al-Qa'ida in Iraq* (Santa Monica, California, Rand Corporation, 2010), pp. 36-39.

[128] See Human Rights Office of the High Commissioner for Human Rights' and OHCHR's Report on the Protection of Civilians in the Armed Conflict in Iraq: 6 July-10 September 2014, pp. 12 and 16.

[129] Information provided by a Member State.

[130] *An Economic Analysis of the Financial Records of Al-Qaida in Iraq* (see footnote 128 above), p. 36.

[131] A detailed PhD dissertation has been written on the general subject: "Transnational crimes against culture: looting at archaeological sites and the grey market in antiquities", by Blythe Alison Bowman, University of Nebraska, 2008.

income by plundering antiquities in Iraq and the Syrian Arab Republic.[132] There is evidence that ISIL encourages the looting and subsequent smuggling of Iraqi and Syrian antiquities, especially from archaeological sites. ISIL earns revenue by taxing the looters. The looting has become more systematic and organized. For example, it has been reported that ISIL has become more involved in the digging and uses contractors with bulldozers to dig at the sites.[133] Excavated objects are then sold to local dealers. Already in January 2014, the Directorate General of Museums and Antiquities of the Syrian Arab Republic reported that 300 people were digging at the important Dura Europos site.[134]

73. This is a growing but not a new risk.[135] Antiquities have been plundered in Iraq before, and were the cause of a specific Security Council response in 2003. Resolution 1483 (2003) includes a provision requiring Member States to take measures facilitating the return of Iraqi cultural property illegally removed from Iraq since 1990, "including by establishing a prohibition on trade in or transfer of such items and items with respect to which reasonable suspicion exists that they have been illegally removed".[136] Although the looting and sale of antiquities is a known risk, it is very difficult to reliably estimate the amount of money that ISIL raises through this activity, and the Monitoring Team has not received officially confirmed information pointing to a particular sale that was clearly ISIL-related. Furthermore, there is a risk that local dealers will stockpile the artefacts until the world is no longer focused on this issue. On this basis, the Monitoring Team recommends a preventative approach.

4. Kidnapping for ransom

74. Ransom payments have continued to be a significant source of financing for ISIL, which is notorious for its kidnappings. The use of this tactic,[137] along with brutal murders and the cynical filming of hostages, echoes the tactics used by AQI. The majority of victims are, as always, local residents along with a smaller group of foreign humanitarians and journalists. As reported by the Monitoring Team in its sixteenth report (see S/2014/770, para. 51), based on information provided by a Member State, ISIL has raised an estimated $35 million to $45 million in a 12-month period (approximately $96,000 to $123,000 per day) from ransom payments. While this high level of fundraising from kidnapping for ransom is not likely to be sustainable, and the income stream may have become less critical to

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[132] See, for example, "ISIS Selling Iraq's Artifacts in Black Market: UNESCO", *Al Arabiya*, 1 October 2014, and Mark V. Vlasic, "Islamic State sells 'blood antiquities' from Iraq and Syria to raise money", *The Washington Post*, 14 September 2014. In order to help relevant professionals and law enforcement officials recognize the types of items that are likely to be illegally traded, the International Council of Museums issued an "Emergency Red List of Syrian Cultural Objects at Risk" in 2013. A similar list of Iraqi antiquities at risk has existed since 2003.

[133] David Kohn, "ISIS's looting campaign", *The New Yorker*, 14 October 2014.

[134] Syrian Arab Republic, Ministry of Culture, Directorate General of Antiquities and Museums, "Annual Report 2013", January 2014.

[135] According to an international organization, this is an increasing risk as antiquities are seen as a profitable and secure investment.

[136] More recently, the UNESCO Executive Board adopted a decision on the protection of Iraqi heritage (195 EX/31).

[137] Kidnapping for ransom is also an intimidation tactic used by ISIL to force some local people to leave the area.

ISIL, it points to the pressing need for effective enforcement of the sanctions ban on ransom payments to listed groups like ISIL.

5. Donations

75. ISIL originally benefitted significantly from private donations from supporters, primarily from within the region. These donations continue to be one revenue stream for ISIL, as Security Council and individual Member State sanctions listings demonstrate.[138] According to these listings and media reports,[139] ISIL has received several million dollars from wealthy private donors and fundraising initiatives.

76. Meanwhile individuals have been listed on the Al-Qaida Sanctions List for directly funding or facilitating the flow of private donations from countries in the region to ISIL and ANF.[140] Based on the information from these cases, fundraising activities occur in the region and cash is moved physically across borders.[141] Fundraising also takes place through a range of communication mediums, including social media,[142] Twitter,[143] and websites used for fundraising campaigns. There is also evidence of funding collected under the auspices of charity and diverted to the terrorist groups.[144]

6. Other sources

77. There could potentially be funds available to ISIL from other activities. The provinces of Ninewa and Salah al-Din on average account for over 30 percent of Iraq's wheat production,[145] so when ISIL advanced into Iraq more than a dozen silos came under its control. According to the representative of the Food and Agriculture Organization of the United Nations (FAO) in Iraq, several hundred thousand tons of wheat remain in silos under ISIL control in those provinces.[146] It is possible that ISIL could try to sell the wheat on the black market for a reduced price or use it in barter trade.

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[138] For example, Tariq Bin-Al-Tahar Bin Al Falih Al-'Awni Al-Harzi "worked to help raise funds from Gulf based donors for ISIL". See *United States Department of the Treasury*, "Treasury designates twelve foreign terrorist fighter facilitators", 24 September 2014.

[139] See, for example, Robert Mendick, "Banker who financed 9/11 mastermind now funding terrorists in Syria and Iraq", *The Telegraph*, 4 October 2014. Harriet Alexander, and Alastair Beach, "How ISIL is funded, trained and operating in Iraq and Syria", *The Telegraph*, 23 August 2014.

[140] Muthanna Harith al-Dari (QI.A.278.10), 'Abd al-Rahman bin 'Umayr al-Nu'aymi (QI.A.334.14), Hamid Hamad Hamid al-'Ali (QI.A.326.14), Hajjaj bin Fahd al Ajmi (QI.A.328.14), Shafi Sultan Mohammed al-Ajmi (QI.A.338.14).

[141] In particular in the cases of Hamid Hamad Hamid al-'Ali (QI.A.326.14) and Hajjaj Bin Fahd al Ajmi (QI.A.328.14).

[142] See also the narrative summary of reasons for listing for Shafi Sultan Mohammed al-Ajmi (QI.A.338.14).

[143] The narrative summary of reasons for listing for Hajjaj Bin Fahd al Ajmi (QI.A.328.14).

[144] The narrative summary of reasons for listing for Shafi Sultan Mohammed al-Ajmi (QI.A.338.14).

[145] See FAO Global Information and Early Warning System on Food and Agriculture Special Alert No. 332, 25 June 2014.

[146] Interview with the Representative of the Food and Agricultural Organization of the United Nations, Iraq.

78.   There have been reports that ISIL is trafficking women and children in local markets.[147] ISIL even boasted about this activity in its English-language magazine *Dabiq*.[148] That ISIL chooses to engage in human trafficking — essentially slavery — underscores its complete absence of morality.

7.   Burn rate

79.   The sources of ISIL funding listed above only tell one part of the story. The other element that matters is how (and how much) ISIL spends. The so-called "burn rate" — how fast it is using up the funds it has, and whether it is operating a surplus or deficit in financial terms — is crucial to establishing its overall financial position. ISIL's occupation of territory and a population of some five to six million[149] increases its ability to raise funds through extortion and theft; however, it is also a weakness as it necessarily increases its burn rate. ISIL needs to spend money and/or use resources, such as refined fuel, to administer the population under its control, or indeed to enable sufficient economic activity to prevent shortages of food or essential goods. Information on ISIL spending is weaker than information on revenues. Because we do not know the burn rate, we do not know the amount of money ISIL has left over after funding its operations and what minimal services it has fitfully provided.

80.   For example, reports vary on how much ISIL pays its members. There are indicators that many personnel are paid regularly. According to a Member State, ISIL pays its members a monthly salary based on the skills that the member brings to the table. The nationality of the member may also affect the salary amount.[150] The Member State in question has seen a range of 50 euros per month for unskilled voluntary fighters to 1,500 euros per month for more skilled members. Another Member State estimates that fighters are paid from $200 to $300 per month. ISIS also provides a stipend for each family member. For example, a public report provides an account of an Indonesian ISIL recruit who was paid $50 per month as a fighter and also received a stipend of $50 per month for his wife and $25 for each child.[151]

81.   Meanwhile ISIL needs access to refined oil products, if only to support fighting. Following military strikes on small refineries, its dependence on purchasing such supplies — which will consume resources — is likely to increase.

8.   Use of the banking sector

82.   Other Al-Qaida associates in the region have relied and continue to rely on the informal financial sector to move financial assets internationally. However, given the higher volume of financial turnover that ISIL appears to be generating in the areas under its control in combination with a number of bank branches within those

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[147] See Human Rights Office of the High Commissioner for Human Rights' and OHCHR's Report on the Protection of Civilians in the Armed Conflict in Iraq: 6 July-10 September 2014, pp. 13 and 15.

[148] Al-Hayat Media Center of ISIL, *Dabiq*, 4th Issue, September-October 2014.

[149] Precise population figures are unknown given the high numbers of refugees and internally displaced people in both countries: this is a rough estimate based on available population data.

[150] Information provided by a Member State.

[151] *Institute for Policy Analysis of Conflict*, "The evolution of ISIS in Indonesia", 24 September 2014.

areas, a residual risk exists that ISIL finance specialists might attempt to move financial assets out of the country using the formal banking sector.

C. The Al-Nusrah Front for the People of the Levant

83. The finances of ANF are much more opaque than those of ISIL and there is very little information available in open sources. According to three Member States, ANF is dependent on donations from private financiers from the wider region. ANF has received several million dollars from private wealthy donors and fundraising initiatives. Other sources of income include kidnapping for ransom, as previously reported (see S/2014/770), some extortion close to the borders of the Syrian Arab Republic with Turkey and Jordan, as well as weapons sales to other groups in the Syrian Arab Republic.[152]

84. ANF is more discreet about its operations than ISIL. However, it is clear that ANF has seized a much smaller territory than ISIL, and it is often divided into separate pockets. There are currently few or no oil production facilities under ANF control, removing much of the group's ability to raise funds by controlling or exploiting oil smuggling. However, it may be able to extract revenue from distribution networks in the areas that it controls. There are indications that ANF may be extracting or seeking to generate revenue from antiquities smuggling.[153] Given the Syrian Arab Republic's rich cultural heritage, and assuming that ANF requires continuing income to secure essential supplies, any move to contain such revenue would be highly valuable.

VI. Recruitment and demographics

85. Precise analytics on ISIL and ANF members are elusive. Estimates of the strength of both groups vary among Member States (and, in several cases, between different parts of a Member State Government). ISIL and ANF fighters come from a range of social backgrounds. However, only a minority are well-educated, including highly-educated college graduates, technology specialists, engineers and medics. According to Member States, some ISIL and ANF fighters have previously been convicted for criminal activities and have served prison sentences. This appears to disproportionately be the case for some foreign terrorist fighters as well, although the pattern is by no means uniform. There is a small proportion of female combatants, both locally and within foreign terrorist fighter groups, which marks a departure from previous conflicts involving Al-Qaida-associated groups.[154]

86. Recruitment into ISIL consists of three main streams. The first consists of Iraqis, and smaller numbers of Syrians, many of whom had a past in or had worked with AQI. The core group dwindled to a few hundred in 2011, but has grown rapidly since. It also includes a number of Middle Eastern nationals from countries other than Iraq or the Syrian Arab Republic, but who have been associated with the group for some time.

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[152] Information provided by a Member State.
[153] Information provided by a Member State and an international organization.
[154] Although by no means all: the Tamil Tigers and the Red Army Faction are but two examples of groups who had female fighters.

87.   The second group consists of foreign terrorist fighters drawn in since 2011, including in a number of cases their families, who made their way to the Syrian Arab Republic in response to the call for fighters or as a result of their own radicalization. These fighters come from over 80 countries, with large groupings from the Maghreb and the Middle East along with Europe and Central Asia.[155]

88.   The foreign terrorist fighters number some 15,000 (although not all joined ISIL, the vast majority have).[156] This is likely a conservative estimate as it includes only known individuals, and others will likely have travelled who are not yet known to any Member State authorities. Several hundred are reported killed, while a number have either returned to their country of origin or departed to a third country. Smaller numbers are repeat fighters, alternating periods on the front line with spells in other countries to rest. The majority are young. There is a significant presence of dual nationals with European passports, along with a number of converts. There is mixed reporting on how integrated these foreign terrorist fighters are, with some reports suggesting that operational units tend to be homogenous,[157] shaped by shared culture and language, while others point to combined units of Russian, French and English speakers (suggesting a more heterogeneous background).

89.   The third group consists of new local affiliates, ranging from militia members and ex-Baathists who have made tactical alliances with ISIL to forced recruits from territory that ISIL has seized.

90.   There are three main methods of recruitment: Internet-based platforms, personal contact and persuasion and (more recently) enforced drafting.[158] In some cases prisons appear to have been used to recruit, both inside Iraq and the Syrian Arab Republic and in countries from which foreign terrorist fighters have come.[159] A hard-core group of ISIL fighters was previously imprisoned in Iraq and the Syrian Arab Republic, some being released in mass jailbreaks.[160] In parts of the Maghreb (where comparatively large numbers of foreign terrorist fighters have originated), some civil society groups have been misused to attract sympathizers. Current information suggests that few recruits come from a religious background, and in fact recruits often have limited or superficial knowledge of religion.

VII.   Recommendations

91.   The Monitoring Team is making a series of recommendations for Security Council action. These fall into three categories.

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[155] The Monitoring Team will report in more detail on foreign terrorist fighters in forthcoming reports following the mandate given in Security Council resolution 2178 (2014).

[156] Monitoring Team research based largely on Member State information, including feedback from regional meetings convened by the Team of national security and intelligence agencies.

[157] For example, Harakat Sham al-Islam, a group affiliated with ANF, is comprised mainly of Moroccan foreign terrorist fighters.

[158] Enforced drafting was reported by captured ISIL fighters in the October 2014 clashes over the city of Kobane in the Syrian Arab Republic.

[159] Information provided by a Member State.

[160] See, for examples, "Interpol issues alert on mass prison breaks in Pakistan, Iraq and Libya", *Reuters*, 3 August 2013 and "Al Qaeda says it freed 500 inmates in Iraq jail-break", *Reuters*, 23 July 2013.

92. The first set of recommendations (section A below) relates to the existing mandate under Security Council resolution 1267 (1999).[161] The Monitoring Team encourages further Committee and Member State actions on listings and implementation, while also urging donors to help Member States close capacity gaps. There is also a recommendation that Member States urge the financial sector to enhance its scrutiny of financial transfers from institutions that may continue to operate in ISIL- or ANF-controlled territory.

93. In the second set of recommendations (section B below), building directly on the analysis in this report, the Monitoring Team recommends three new sanctions measures that would require appropriate authority from the Security Council. While these build on the existing Al-Qaida sanctions regime, they strengthen measures relating to the assets freeze and arms embargo, with the goal of delivering both preventative and disruptive effect.

94. They have been developed after careful debate within the Monitoring Team, not least to properly consider the risk of unintended consequences. The recommended measures — imposing a seizure of oil tankers and their load departing or seeking entry into ISIL- or ANF-controlled territory, introducing a limited international moratorium on the trade of antiquities that may have been illegally looted in the Syrian Arab Republic or Iraq by ISIL or ANF and imposing a preventative embargo on flights destined to land in or taking off from ISIL- or ANF-controlled territory (with a Council-managed exemption procedure to allow for humanitarian or other traffic authorized by the Council) — are designed to disrupt revenue to ISIL and ANF. The Monitoring Team notes that these measures in and of themselves are not sufficient to respond to the threat from ISIL and ANF. A comprehensive approach is required, one that properly integrates multilateral strategies with Member States' national actions. Targeted sanctions, both the existing Al-Qaida sanctions regime and any enhanced regime that may be adopted by the Council, can only form one part of the necessary international response.

95. Security Council targeted sanctions against Al-Qaida associates like ISIL and ANF have evolved significantly over the past two decades, with an increasing emphasis on improving the quality of listings, advancing the implementation of the sanctions measures and encouraging a strategic approach by the Committee to how Chapter VII sanctions can contribute to international peace and security. There will always be concern about the introduction of new sanctions measures, not least when these are considered against the backdrop of a significant immediate threat to peace and security. The Monitoring Team is therefore making an unusual recommendation alongside the three new measures, which is that the Committee formally review the impact of the new measures (if adopted) within 180 days. This impact assessment introduces a mechanism through which the Committee, and therefore the Council, can take soundings on how enhanced measures are working and can adapt them in light of any adverse unintended consequences that are identified.

96. The third set of recommendations (section C below) does not relate to sanctions, but addresses further direct risks relating to ISIL and ANF.

97. There is a need to do more to tackle the flow of foreign terrorist fighters to ISIL and ANF, and the Monitoring Team therefore recommends that the Committee encourage Member States to make greater use of the International Criminal Police

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[161] Including successor resolutions.

Organization (INTERPOL) database of transnational fighters and similar multilateral platforms. (The Monitoring Team has been mandated to report and recommend further actions on foreign terrorist fighters under resolution 2178 (2014), and will be making further recommendations in November 2014 and March 2015.) While Member States will in many instances rely on bilateral intelligence service, security service or police cooperation on sensitive terrorism-related case-work, the nature and scale of the foreign recruiting flow into ISIL and ANF makes multilateral information sharing useful to combat the threat. Over the past year, INTERPOL has collected information pertaining to more than 500 foreign terrorist fighter suspects and their motivations in its transnational fighters database. This number still only represents a small proportion of known individuals of interest linked to ISIL and ANF recruitment networks alone.

98. There is also a need to do more to counter the pervasive role of infectious terrorist propaganda, in particular associated with ISIL supporters or sympathizers. Such propaganda threatens a fresh wave of radicalization, not least because of the widespread use of social media and extreme, public violence to gather attention. The international community needs to do more to address the toxic terrorist world-view that ISIL and others in the Al-Qaida movement trade in. In its final recommendation the Monitoring Team addresses this as the first-order strategic priority to build a long-term, sustainable international response to ISIL and ANF perpetuation of the Al-Qaida movement's messaging.

A. Sanctions recommendations

Recommendation one: The Monitoring Team recommends that the Committee and the Chair, through a targeted briefing and note verbale, encourage Member States, in particular those most directly affected by the threat from ISIL and ANF, to propose further listings to the Committee, under the Al-Qaida sanctions regime, of key individuals and entities, including facilitators or entities most vulnerable to the effect of sanctions. The types of individuals that might be relevant candidates for listing requests include facilitators of foreign terrorist fighter recruitment networks based outside areas of immediate ISIL and ANF control, key logisticians or propagandists associated with ISIL and ANF who may travel and be vulnerable to the travel ban, or financiers whose involvement in terrorist funding to ISIL or ANF has been established by Member States. Entities that would be relevant candidates for listing requests could include companies and smuggling networks that trade in commodities that derive from ISIL or ANF, thereby providing support to ISIL or ANF, other terrorist groups that facilitate or give assistance to ISIL or ANF, or non-profit organizations involved in providing funding or other material support to ISIL or ANF.

Recommendation two: The Monitoring Team recommends that the Committee continue to encourage Member States to fully implement the measure currently in place under the Al-Qaida sanctions regime against ISIL and ANF, with a particular focus on States in which these two groups are present or draw recruits, financing or arms. The sanctions regime has an impact when implemented, which makes effective implementation a key ingredient of a successful international response to ISIL and ANF. Given the primary regional footprint of ISIL and ANF in Iraq and the Syrian Arab Republic, the role and responsibilities of these two Member States, their immediate neighbours and

Member States where terrorist financing or foreign terrorist fighter flows are taking place, and effective implementation of the sanctions regime by these Member States as well as the broader international community, is vital.

Recommendation three: The Monitoring Team, recognizing that implementation gaps at times result from a lack of Member State capacity, recommends that the Chair write to relevant United Nations and other multilateral entities to encourage further focus on identifying capacity gaps and meeting them through technical assistance and capacity-building projects. The need to respond urgently to the challenge posed by ISIL and ANF recommends equally rapid action to identify and address Member State capacity challenges. There is an important role in this regard for the Security Council Counter-Terrorism Committee and its implementation body, the Counter-Terrorism Committee Executive Directorate. Meanwhile, capacity-building bodies like the Terrorism Prevention Branch of the United Nations Office of Drugs and Crime and the recently formed United Nations Counter-Terrorism Centre remain significant sources of programme funding, as do multilateral bodies like the Global Counter-Terrorism Forum.

Recommendation four: The Monitoring Team, noting the risk of ISIL and ANF transferring assets overseas using the banking network, recommends that the Committee, in a note verbale to Member States, highlight this risk and:

(a) **Encourage those who have not yet done so, and in accordance with their national legislation, to ensure heightened vigilance and appropriate enhanced due diligence procedures by financial institutions in their jurisdiction concerning all banking relationships and transactions involving banks in ISIL- and ANF-controlled territory;**

(b) **Urge Member States, through their financial regulators, to ensure that banks and other financial institutions that have subsidiaries or branches operating in ISIL- and ANF-controlled territory have adequate measures in place to mitigate the terrorist financing risks that may arise in the course of doing business in ISIL- and ANF-controlled territory.**

This directly addresses the fact that there are numerous bank branches in the territory controlled by ISIL, and to a lesser extent in areas controlled by ANF. Moreover, given that ISIL controls substantial assets and enjoys continuing income, a residual risk exists that ISIL finance specialists might attempt to move financial assets out of Iraq and the Syrian Arab Republic using the formal banking sector.

B. Enhanced sanctions recommendations

Recommendation five: The Monitoring Team, noting continuing revenue generation by ISIL, in particular from crude oil smuggling, recommends that the Chair request the Security Council to mandate all Member States bounding ISIL- or ANF-controlled territory to promptly seize all oil tanker-trucks and their loads that originate from or seek entry into ISIL- or ANF-controlled territory. Member States would also be mandated to report to the Committee on the details of any such seizures no later than 60 days after such seizures. This measure has been carefully selected to disrupt crude oil smuggling that generates revenue for these groups. Although it will not eliminate such trade, it can

limit the availability of larger oil tanker-trucks. It also establishes a direct liability for smuggling networks and individual owner-drivers, deterring them from cooperating with ISIL and ANF.

Recommendation six: The Monitoring Team, noting that ANF and ISIL may generate revenue from the smuggling and sale of antiquities illegally taken from the territory of the Syrian Arab Republic or Iraq, recommends that the Chair request the Security Council to mandate a world-wide moratorium on the trading of antiquities from the Syrian Arab Republic or Iraq since the passing of resolution 2170 (2014) that lack clear, certified provenance. Although such a moratorium would not eliminate the criminal market for smuggled antiquities, this ban should disrupt the market for antiquities from the Syrian Arab Republic and build on prior Security Council measures[162] in the case of Iraq, depressing potential ANF and ISIL revenues.

Recommendation seven: The Monitoring Team, noting the risk that ISIL and ANF may seek to export valuable assets seized from the Governments, banking systems and citizens of Iraq and the Syrian Arab Republic, and also noting that ISIL and ANF may seek to import essential components or arms, recommends that the Chair request the Security Council to mandate that Member States deny aircraft permission to land in or take off from their territories if that aircraft has taken off from or is destined to land in ISIL- or ANF-controlled territory.[163] It would also be subject to an exemption procedure, allowing Member States and humanitarian organizations to apply to the Committee for specific, limited exemptions.

Recommendation eight: The Monitoring Team recommends that the Chair request the Security Council to mandate the Committee to conduct a formal impact assessment of the impact of the new measures (if adopted) within 180 days. This assessment could track progress on implementation, identify unexpected challenges and help underpin Committee consideration of further adjustments as required.

C. Non-sanctions recommendations

Recommendation nine: The Monitoring Team recommends that the Committee send a note verbale to all Member States drawing their attention to the urgent need for effective information-sharing on known and suspected foreign terrorist fighters, and encouraging them, in accordance with their national legislation, to use the INTERPOL transnational fighters database as a sharing tool, where appropriate, along with other relevant information-sharing tools. This draws on analysis of the significant role played by foreign terrorist fighters in ISIL and, to a lesser extent, in ANF. Effective information-sharing between Member States remains a challenge.

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[162] See paragraph 7 of Security Council resolution 1483 (2003), in which the Council, among other things, requires Member States to establish a prohibition on the trade in or transfer of Iraqi cultural property illegally removed from Iraq.

[163] The proposed ban is along the lines of sanctions measures previously adopted by the Security Council. For example, see para. 4 (a) of resolution 1267 (1999) and para. 11 of resolution 1333 (2000).

Recommendation ten: The Monitoring Team recommends that the Chair raise with the Security Council the need for more concerted multilateral and national action to address the toxic ideas and imagery that ISIL and ANF, along with other groups within the Al-Qaida movement, promote. This includes developing national and multilateral counter-extremism communications strategies. The challenge from the Al-Qaida movement's propaganda has already been in place for over two decades and is becoming more complex, plural and poisonous in a digital world. The misrepresentation of Islam by groups like ISIL and ANF along with other Al-Qaida associates can be most effectively countered by Muslim communities and relevant Member States. The human impact of ISIL and ANF brutality and extremism can be addressed by all Member States and by broader civil society. The terrorist fighters, ideologues and facilitators of ISIL and ANF are no heroes. Their distorted, deceptive and destructive revolutionary millenarianism leaves a trail of human victims. There needs to be greater international effort to explain this, in particular to young people who may be susceptible to the seductive simplicity of the Al-Qaida narrative.

VIII. Conclusion

99. Countering and neutralizing the threat from ISIL and ANF requires a comprehensive Security Council strategy that is broad-based and properly ambitious. This report has set out the threat and tentative analytics, noting that it is extremely difficult to arrive at robust, evidence-based data. This leads into a set of recommendations that are explained above.

100. The Monitoring Team would welcome feedback regarding the analysis and recommendations contained herein. Such feedback can be e-mailed to 1267mt@un.org.

Annex

Individuals relevant to the Islamic State in Iraq and the Levant and the Al-Nusrah Front for the People of the Levant listed on the Al-Qaida Sanctions List

Al-Qaida (QE.A.4.01)

leader

recruiter facilitator 2008-12

senior member

senior member

AIMAN MUHAMMED RABI AL-ZAWAHIRI
أيمن محمد ربيع الظواهري
QI.A.6.01
DOB: 19/06/1951
☐ Egyptian

AZZAM ABDULLAH ZUREIK AL-MAULID AL-SUBHI
QI.A.330.14
DOB: 12/04/1976
☐ Saudi Arabian

AHMED ABDULLAH SALEH AL-KHAZMARI
QI.A.329.14
DOB: 15/09/1978
☐ Saudi Arabian

Al-Nusrah Front for the people of the Levant (ANF) (QE.A.137.14)
جبهة النصرة لأهل الشام

leader

ABU MOHAMMED AL-JAWLANI
أبو محمد الجولاني
QI.A.317.13
☐ Syrian
○ Between 1975 and 1979

"shariah amir"

"administrative amir"

arms procurement for ISIL

senior member

MAYSAR ALI MUSA ABDALLAH AL-JUBURI
QI.A.337.14
DOB: 01/06/1976
☐ Iraqi

senior member

MUHSIN FADHIL AYED ASHOUR AL-FADHLI
محسن فاضل عايد عاشور الفضلي
QI.A.184.05
DOB: 24/04/1981
☐ Kuwaiti

ANAS HASAN KHATTAB
QI.A.336.14
DOB: 07/04/1986
☐ na (POB Syria)

fundraiser arms procurement

facilitator 2013

SHAFI SULTAN MOHAMMED AL-AJMI
QI.A.338.14
DOB: 01/01/1973
☐ Kuwaiti

regional leader Latakia

fundraiser financial facilitator for ISIL 2014

ABDUL MOHSEN ABDALLAH IBRAHIM AL CHAREKH
a.k.a. "Sanafi al-Nasr"
QI.A.324.14
DOB: 13/07/1985
☐ Saudi Arabian

'ABD AL-RAHMAN KHALAF 'UBAYD JUDAY' AL-'ANIZI
QI.A.335.14
☐ Kuwaiti
○ Approximately 1973

financier and chief of 'zakat committee'

member member member

FORSANE ALIZZA (not listed)

member

regional commander recruiter

HAJJAJ BIN FAHD AL AJMI
QI.A.328.14
DOB: 10/08/1987
☐ Kuwaiti

financier facilitator

OUMAR DIABY
QI.D.342.14
DOB: 05/08/1975
☐ Senegalese

EMILIE KONIG
QI.K.340.14
DOB: 09/12/1984
☐ French

SAID ARIF
QI.A.323.14
DOB: 25/06/1964
☐ Algerian

ABDELRAHMAN MOUHAMAD ZAFIR AL DABIDI AL JAHANI
QI.A.327.14
DOB: 04/12/1971
☐ Saudi Arabian

KEVIN GUIAVARICH
QI.G.341.14
DOB: 12/03/1993
☐ French

mediator

HAMID HAMAD HAMID AL-'ALI
QI.A.326.14
DOB: 17/11/1960
☐ Kuwaiti

allied

ABDULLAH AZZAM BRIGADES (AAB) (QE.A.144.14)

explosives expert

IBRAHIM SULEIMAN HAMAD AL-HABLAIN
QI.A.332.14
DOB: 17/12/1984
☐ Saudi Arabian

Al-Qaida in Iraq a.k.a "Islamic State in Iraq and the Levant" (ISIL) (QE.J.115.04)
القاعده في العراق

leader

IBRAHIM AWWAD IBRAHIM ALI AL-BADRI AL-SAMARRAI
a.k.a. "Abu Bakr al-Baghdadi"
إبراهيم عواد إبراهيم علي البدري السامرائي
QI.A.299.11
□ Iraqi
○ 1971

senior member

intermediary

'ABD AL-RAHMAN MUHAMMAD MUSTAFA AL-QADULI
QI.A.339.14
□ Iraqi
○ a) 1959 b) 1957

member

GHAZY FEZZA HISHAN AL-MAZIDIH
غازي فيزا هاشم المزيده
QI.A.277.10
□ na (POB Syria)
○ a) 1974 b) 1975

member

AKRAM TURKI HISHAN AL-MAZIDIH
أكرم تركي هاشم المزيده
QI.A.276.10
□ na (POB Syria)
○ a) 1974 b) 1975

financial facilitator 2013

financial facilitator 2013

'ABD AL-RAHMAN BIN 'UMAYR AL-NU'AYMI
QI.A.334.14
⊙⊙ DOB: 01/01/1954
□ na (POB na - Qatari papers)

finance officer

MUTHANNA HARITH AL-DARI
مثنى حارث الضاري
QI.A.278.10
⊙⊙ DOB: 16/06/1969
□ Iraqi

financed & facilitated

EUROPE-BASED AQI LISTED INDIVIDUALS

MOHAMED AMIN MOSTAFA
محمد أمين مصطفى
QI.M.147.03
⊙⊙ DOB: 11/10/1975
□ na (POB Iraq)

financed & facilitated

emir of ISIL in Syria

allied 2010-2012

ABOU MOHAMED AL ADNANI
QI.A.325.14
⊙⊙ DOB: 01/01/1977
□ Iraqi

founder & deceased leader

financed & facilitated

MOHAMED GHASSAN ALI ABU DHESS
محمد غسان علي أبو دهيس
QI.A.130.03
⊙⊙ DOB: 22/06/1966
□ Jordanian

AHMAD FADIL NAZAL AL-KHALAYLEH
a.k.a. "Abu Musab al-Zarqawi"
أحمد فضيل النزال الخلايله
ex-QI.A.131.03 (removed from the List)

financed & facilitated

MOHAMMAD TAHIR HAMMID
محمد طاهر حامد
QI.H.144.03
⊙⊙ DOB: 01/11/1975
□ na (POB Iraq)

Ansar al-Islam (QE.A.98.03)

founder & leader

financed

allied

NAJMUDDIN FARAJ AHMAD
a.k.a "Mullah Krekar"
QI.A.226.06
□ Iraqi
○ a) 7 Jul. 1956 b) 17 Jun. 1963

DIEMAN ABDULKADIR IZZAT
ديمان عبد القادر عزت
QI.A.200.05
⊙⊙ DOB: 04/07/1965
□ Iraqi