



Tel Aviv Yafo

October 26<sup>th</sup>, 2023

**FIU-ISRAEL (IMPA) CALLS ALL GLOBAL REGULATED ENTITIES FOR INCREASED  
VIGILANCE TOWARDS TERRORISM FINANCING CAMPAIGNS IN RESPONSE TO THE  
ONGOING WAR AND STATE OF EMERGENCY**

On Saturday (7 October 2023, the religious holiday of Simhat Torah), in an act of war, over a thousand terrorists of the **Hamas** and **Palestinian Islamic Jihad (PIJ)** which have been designated as terrorist organizations by Israel, the US, the EU and other countries infiltrated Israel by land, sea and air at several locations and advanced towards Israeli communities and population centers near the Gaza Strip. This was carried out in conjunction with indiscriminate rocket fire targeting towns and cities in the south, the center of the country, and Jerusalem (more than 6,600 rockets and missiles have been launched so far) with the intent of maximizing harm to civilians.

The terrorists penetrated the southern towns, villages and communities and began a murderous killing spree of families and individuals in their homes, in the streets and at a music festival that was being held in the area. They abducted everyone they happened upon on their return to the Gaza Strip - with an emphasis on families, women and children.

**Thus far, more than 1,400 people have been murdered in Israel and more than 5,400 wounded to varying degrees. It is also reported that more than 220 people are classified as captive after being kidnapped and taken to Gaza and many more are still missing. Among the victims, approximately 152 of those murdered and 141 of the missing hold foreign citizenship (including dual citizenship). These numbers are increasing daily.**



## Current TF activity and possible indicators

Terrorism financing is often conducted under the guise of fundraising campaigns for humanitarian aid and led by various associations, charitable organizations<sup>1</sup> or through private initiatives. Sometimes the fundraising portal can be identified as sympathizing with the terrorist activities and promoting the messages of the terrorist organizations, and on other occasions the front-end seems to relate only to humanitarian aid, but the funds are afterwards directed towards individuals or entities that are affiliated with Hamas or the PIJ. It has been established that since the attack there are ongoing TF campaigns by HAMAS and PIJ disseminated across multiple mediums, including media outlets, crowdfunding sites, instant messaging applications, and various social media networks, while employing a variety of channels and avenues for transferring money, including **bank and electronic transfers, credit cards, advanced payment means and cryptocurrency** (such as BTC, ETH, USDT, USDC and TRX);

These publications are done via venues such as **Telegram, X (Twitter), Facebook, Instagram** and **TikTok**, both in posts and in comments. In many cases these channels are interconnected, publishing identical or similar messages and providing links to related Telegram or other social media channels and are used both to publish inciting content and serve as a channel to publish messages by the terror organization as well as to provide information on ways to donate funds and provide links to fundraising campaigns. These may refer to the Gaza Strip, to the fighting in Gaza, and sometimes include the involvement of designated entities. Multiple examples and evidence of such activity have already emerged **using all such platforms throughout the world** and these initiatives have been and are expected to increase as the war continues (see examples in annex a).

In recent days some of these crypto addresses, accounts and digital payment means have been blocked. However, we anticipate that **alternative venues globally will continue to emerge to support the ongoing TF and donors will be redirected to these alternative sources.**

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<sup>1</sup> [FATF REPORT: Risk of Terrorist Abuse in Non-Profit Organisations. June 2014.](#)



## Other known typologies employed by HAMAS to raise and move funds

It is also known that HAMAS has employed the following methods in the past to globally raise and move funds to support its activities.

### State sponsorship

Iran serves as one of the main funding sources supporting HAMAS military activity.

### Investment portfolio

In Aug 2022 the Israeli minister of defense designated dozens of entities involved in HAMAS investments portfolio, which is estimated to encompass of millions of USD.<sup>2</sup>

### Virtual Assets

In recent years, HAMAS has been raising funds using cryptocurrencies donations. The NBCTF (National Bureau for Counter Terror Financing in Israel) has on several occasions frozen wallets used by HAMAS, holding different types of VAs.

### Exploitation of NPOs for TF

NPO exploitation is one of the most commonly used typologies for TF and one of the main methods HAMAS employs to raise and transfer funds. Throughout the years HAMAS has utilized this fundraising method on a number of occasions to raise funds in various countries. Another common method of NPO abuse is the establishment of 'sham' or front organizations. These organizations falsely raise money for charitable/humanitarian purposes while in reality, the funds are used to support terrorism.

Current examples of such activity are fundraising campaigns initiated by designated entities that are actively raising money at this moment under the guise of humanitarian support. These include such organizations as 'Human Appeal International' and 'Muslim hands', organizations designated by Israel in 2008, due to their funding of Hamas and which were part of the 'Union of Good', an umbrella organization which was designated by both the US and Israel; 'Islamic Relief Worldwide (IRW)' which was designated by Israel in 2014 due to the organization's funding of Hamas, and which was condemned by the US State Department in 2020 for the organization's expressed anti-Semitic attitudes as well as its trustees' and directors' historical support for Hamas; and the 'Palestinian Cultural

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<sup>2</sup> See <https://www.timesofisrael.com/israel-sanctions-20-people-and-companies-accused-in-hamas-money-laundering-front/>



Organization Malaysia (PCOM)', designated by Israel in 2020, which acts as the executive arm of Hamas in Malaysia and whose chairman, Muslim Imran Abu Umar (Muslim Imran), serves as Hamas's representative for Asia and has openly expressed his affiliation with Hamas on his Twitter page including a recent post regarding the October 7th attacks on Israel.

### **Trade-based Terror Financing (TBTF)**

HAMAS has exploited international trade to conceal the transfer of value in order to support its activities. These schemes often involve over or under valuation of goods, misrepresentation of products, and phantom shipping. HAMAS is known to use the sale of goods, including basic food products, to finance its military wing and day-to-day operations. For example, in 2021, Israeli authorities seized 23 tons of food products destined for the Gaza Strip to be sold by HAMAS. The money from the sales was intended to finance the terrorist organization's operations.

### **Crowdfunding**

Terrorist organizations have been known to utilize crowdfunding platforms,. In some cases, the call for participating in the crowdfunding campaign is done by designated organization, while in other cases fictitious fundraising projects are used to elicit donations from donors that are not aware that the funds are intended for TF purposes.

**Since HAMAS and the PIJ have been abusing the global financial sectors and crowdfunding platforms to transfer and raise funds intended to support their terror activities and operations, FIs and crowdfunding platforms are exposed to significant TF risk.**



### Potential Red flag Indicators

- ❖ Crypto addresses, bank accounts, digital payment means etc. published on HAMAS affiliated social media platforms or having links to such platforms.
- ❖ Use of messages that indicate that they are related to terrorism in general or in the context of specific event.
- ❖ Unusual activity carried out by relatives of designated entities or by entities related to the designated entity.
- ❖ Importing goods from abroad and selling them in conflict zones, when the payment for the goods is made by a third party.
- ❖ Opening an account and immediately after engaging in extensive financial activity for humanitarian purposes.
- ❖ A social media channel/account linked to entities involved in financial activity related to terror organizations.
- ❖ An address given by the NPO or its affiliates, which belongs to or is used by organizations suspected of terrorist activity.
- ❖ Entities connected to a non-profit who were previously or are currently connected to designated organizations or to terrorist activity or TF.
- ❖ NPOs activities or assets, including its bank accounts, involve entities that are subject to administrative orders.
- ❖ NPOs making bank transfers to other NPOs known to be involved in terrorist activity or TF.
- ❖ A request to transfer funds to a designated entity or organization or a request to transfer funds to an entity or organization that is linked to a designated entity or organization.
- ❖ Evidence that NPO donors, partners, suppliers or beneficiaries are involved themselves or are related to entities involved in terrorist activity.
- ❖ An entity which begins to receive donations from donors, which have previously donated to an entity whose activity was frozen or which was recently designated.



### Call for vigilance and information sharing

**The Israel Money Laundering and Terror Financing Prohibition Authority requests is calling and raising awareness of the of the global financial sectors to guarantee that their financial services are not abused for TF purposes. There is a need for financial sectors to increase their vigilance and efforts to detect suspicious financial activity related to such TF activities against the backdrop of the ongoing war and to inform their respective FIUs immediately regarding any potential TF activities.**

The fight against terrorism financing is a global struggle and requires international cooperation. Therefore, IMPA calls on all global financial institutions to guarantee their financial services are not being abused for TF purposes, for increased vigilance and to **devote all the resources necessary for disrupting such TF campaigns.**

**These efforts should include monitoring, identifying, and suspending suspected transactions, until proper assurance is received that they are not related to TF campaigns, while reporting to their respective FIUs all activities that raise suspicion of terror support and terror financing, in an effective and immediate manner. This includes any information on fundraising campaigns as described above, international and cross-border activity with an emphasis on the factors and/or platforms involved in the funding as well as any activity for which there is an indication that it is related to *Hamas* and the *Palestinian Islamic Jihad (PIJ)*.**

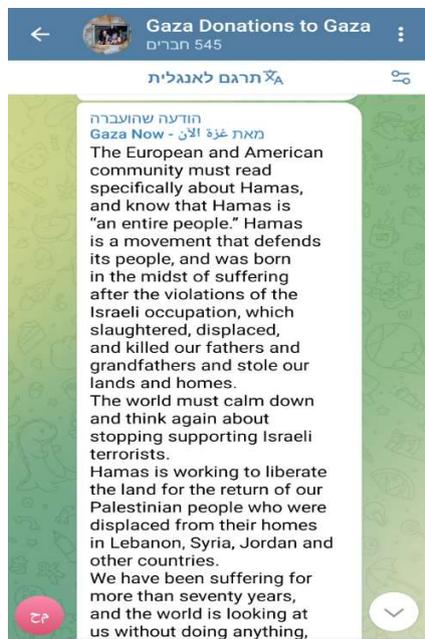
Kind regards,

Ilit Ostrovitch-Levi  
Director General at Israel Money Laundering and  
Terror Financing Prohibition Authority



**Annex A**

1. An account on X (twitter) of Gaza Now, a news channel used by HAMAS for spreading the organization’s messages and funding channels.





2. A campaign published on twitter by AL-QUDS Foundation. AL-QUDS was designated by Israel and by OFAC as a terror organization.

Yusuf Abramjee @Abramjee

R1.7 million pledged in two hours.

תרגם את הפוסט

3 שעות · @Abramjee · Yusuf Abramjee

#Palestine Please open your hearts now and donate. @Hilaaltv

1:36 אחה"צ · 15 באוק' 2023 · 18K צפיות