

Middle East and North Africa Overview

“Jordan does not bow to coercion. We will not be intimidated into altering our position, nor will we abandon our convictions or forfeit our role in the fight against terrorism in all its forms. To the contrary, every act of terrorism strengthens our resolve to adhere to our convictions, and to confront, with all means at our disposal, those who seek to undermine the security and stability of this country.”

King Abdullah II, King of The Hashemite Kingdom of Jordan

Address to the Nation

November 10, 2005

Terrorist activities in the Middle East and North Africa continued to be a primary concern in the global war on terror. Active extremist groups in this region include: al-Qaida, the Islamic Resistance Movement, Hizballah, Palestinian Islamic Jihad (PIJ), the al-Aqsa Martyrs’ Brigades (Fatah’s militant wing), the Popular Front for the Liberation of Palestine (PFLP), the Salafist Group for Preaching and Combat (GSPC), Ansar al-Islam and its offshoot Ansar al-Sunna, and Abu Musab al-Zarqawi’s organization, Tanzim Qaidat al-Jihad fi Bilad al-Rafidayn, a.k.a. al-Qaida of the Jihad Organization in the Land of Two Rivers (a.k.a. al-Qaida in Iraq). These terrorist groups continued to affiliate themselves with al-Qaida and/or express support for its ideology.

In the past year, major terrorist attacks have occurred in Egypt, Jordan, Saudi Arabia, Israel, and Morocco. In Egypt and Jordan, attacks targeted tourist destinations. In the case of the hotel bombings in Amman, the Jordanian public showed an erosion of support for both al-Qaida and Abu Musab al-Zarqawi. Lebanon also witnessed more than a dozen terrorist explosions in 2005, including one that killed former Prime Minister Rafiq Hariri.

Widespread terrorism and violence continue to plague Iraq. Numerous attacks and kidnappings in Iraq targeted foreign aid workers, contractors, and other non-combatants. Staunching the flow of foreign terrorists into Iraq remains a primary area of concern.

Almost all countries in the region continued to cooperate with the United States in counterterrorist activities and undertook efforts to strengthen their capabilities to fight the war on terror, including active participation in USG-sponsored counterterrorism training programs. Many countries continued to provide some form of assistance to Coalition efforts to bring peace and stability to Iraq and Afghanistan.

Several countries made impressive gains against terrorist groups operating in the region. For example, under the leadership of Prime Minister Fouad Siniora (elected in July), the Government of Lebanon has taken small but critical steps to restrict the freedom of several terrorist groups, specifically PFLP-GC and Fatah al-Intifada, to operate in Lebanon. The Lebanese Armed Forces (LAF) strengthened border control posts and increased patrols along the Lebanese-Syrian border in order to prevent the uncontested flow of weaponry to terrorist

groups. The Government of Jordan aggressively pursued the network of fugitive Jordanian terrorist Abu Musab's al-Zarqawi, who is allegedly responsible for attacks in Jordan and Iraq, including the November 9 hotel bombings in Amman. Saudi Arabia's security forces carried out numerous operations resulting in the capture or killing of all 26 wanted terrorists publicized in a December 2003 state announcement; many on the list had direct links to al-Qaida.

Algeria

Algeria made impressive gains against terrorist groups operating in the country, particularly the Salafist Group for Preaching and Combat (GSPC). Algerian officials publicly condemn international terrorism but make a distinction between terrorism and what they consider legitimate armed resistance by HAMAS, Palestinian Islamic Jihad, and Hizballah, in the occupied territories.

According to Algerian authorities, fewer than 800 terrorists remained active in Algeria, down from the estimated 28,000 terrorists in the mid-1990s. The government's success in capturing or killing a number of GSPC terrorists further weakened the effectiveness of this group. Though the remaining GSPC members continued to be quite active and engaged in low-level attacks in several areas across the country, the group has lost considerable public sympathy following its July congratulatory message to al-Qaida on the killing of two abducted Algerian diplomats in Iraq. As a sign of the waning effectiveness of terrorist organizations in Algeria, terrorism analysts from the African Union (AU) Center for Study and Research on Terrorism, based in Algiers, now consider terrorism to be more a threat against public safety than a strategic threat to Algeria's national security.

President Bouteflika announced a Charter on Peace and National Reconciliation in August and a referendum took place at the end of September. The Charter was designed to serve as a mechanism to heal the nation. It encouraged terrorists and their sympathizers to turn themselves in and, in some cases, reintegrate into society (excluding those involved in rapes, massacres, or public bombings). In reaction to the announcement and ensuing vote, which according to the government passed with 97 percent approval, the GSPC increased attacks in August, September, and October. More than 118 government security personnel and civilians were killed, and 110 terrorists were killed or arrested during these three months. In comparison, 142 government security personnel and civilians were killed, and 285 terrorists were killed or arrested, in the previous seven months. The Algerian Government did not release details on the legal mechanisms for putting the Charter into practice.

During the past year as its base of support shrunk at home, the GSPC sought to align itself with al-Qaida and other extremist groups, adopting some of their tactics and activities. Using lessons from Iraq and wanting to reduce the level of casualties sustained in direct confrontation with Algerian security services, the GSPC carried out attacks using roadside improvised explosive devices (IEDs). In one attack on September 14, GSPC terrorists killed three Algerian soldiers and wounded two others in a military vehicle near Boumerdes by remotely detonating a roadside IED. Some Algerian terrorists became more active internationally. In October, an Algerian wanted in Britain for alleged connections to the July

7 London bombings was jailed for three years in Bangkok for forging passports. In November, Spain approved extradition of two Algerian men for links to terrorism, and Italian police arrested three suspected Algerian Islamic extremists on suspicion of aiding and abetting international terrorism.

The GSPC was active regionally in the Pan-Sahel area. The group conducted smuggling activities between Algeria and neighboring countries, as well as limited attacks. In recognition of this threat, the U.S. Government created the Trans-Sahara Counter Terrorism Initiative (TSCTI). This initiative aims to combat terrorism from a regional perspective and to foster cooperation between Maghreb countries. To date, the initiative has helped the U.S. military assess more accurately the terrorist threat within the participating countries and allowed the USG to aid those countries in focusing their efforts on neutralizing those threats. (See the Africa section earlier in this chapter for further information on the TSCTI.)

Algeria's fledgling Financial Investigative Unit (FIU) task force continued to make progress. Various banking institutions sent five reports to the committee for review. To date, no accounts linked to terrorist financing have been discovered in Algeria. Legislation was passed that required all transactions valued at more than 50,000 dinars (\$685) to be conducted by check, money order, wire transfer, or other forms of non-cash payment in order to combat money laundering, informal market activities, and terrorist financing.

Bahrain

The Government of Bahrain provided important support to U.S. counterterrorism efforts, particularly by continuing to combat terror financing and freezing approximately \$18 million in terrorist-linked funds. Bahrain hosted the first Middle East and North Africa Financial Action Task Force (MENA FATF) plenary April 11-14; the second plenary took place in Beirut September 26-27. Throughout the year, the MENA FATF secretariat held a series of evaluation and training sessions for members. In early April, it distributed a questionnaire to identify anti-money laundering/combating the financing of terrorism technical assistance needs.

Bahrain actively monitored terrorist suspects. Domestic legal constraints, including the absence of comprehensive conspiracy legislation, at times have hamstrung its ability to detain and prosecute suspects. The legal case of four Bahrainis arrested in mid-2004 on suspicion of plotting terrorist attacks remained active before the Constitutional Court. Lawyers for the accused filed a motion in December 2004 contesting the constitutionality of the charges against the suspects. The Court has not yet ruled in the matter.

The Government of Bahrain submitted counterterrorism legislation to Parliament for consideration. If passed, the draft law would criminalize conspiracy and expand the scope of the predicate offenses of terrorism already contained in the Bahrain Penal Code. The law remained under discussion between the government and lawmakers. Parliament did not pass a law that criminalized terrorist financing or issue new regulations concerning the FATF Special Recommendation IX on cash couriers.

Bahrain is party to the Arab Convention for the Suppression of Terrorism and the Convention of the Organization of the Islamic Conference on Combating International Terrorism. In late December, it joined the GCC Agreement to Combat Terrorism. Bahrain participated in an international counterterrorism conference in Saudi Arabia in February; because of its participation, the Bahraini cabinet formally supported a Saudi proposal to establish an international institution for combating terror.

Egypt

Egypt experienced several terrorist attacks. In April, there were three attacks on crowded tourist destinations in Cairo. On April 7, a lone suicide bomber killed three foreigners, including an American, at the Khan el-Khalili market; several other Americans were seriously injured in this incident.

On July 23, three bombs exploded in Sharm el-Sheikh, at the tip of the Sinai Peninsula, killing 67, including one American. Hundreds of Egyptians and a number of foreign tourists were also injured as a result of the blasts. One vehicle penetrated security positions along the driveway of a hotel and detonated in the lobby area. Another vehicle-borne improvised explosive device (VBIED) exploded on a street in the old section of Sharm el-Sheikh. A third bomb was concealed in a bag that exploded in a pedestrian area frequented by tourists. There was no evidence these attacks were directed at Americans, but they were widely regarded as targeting the Egyptian tourism industry.

On August 15, near the Rafah border crossing into the Gaza Strip, a small improvised explosive device (IED) detonated near a Multinational Force and Observers vehicle, causing minor injuries to its occupants. This incident was preceded by the discovery of a one-ton cache of explosives in El Arish, on the Mediterranean coast of the Sinai. Separately, on August 13, an intercity bus was shot at on a road crossing the Sinai.

Counterterrorism success stories included two related but unsuccessful attempts to target tourists near the Citadel and the Egyptian Museum that were thwarted by Egyptian authorities. Only the perpetrators of the incidents were killed in the failed attempts; the government described both as the remaining members of the terrorist cell responsible for the April 7 bombing.

Between August and late November, the Egyptian Government conducted an intensive security operation in Jebel Helal, a remote region in northeast Sinai, in pursuit of fugitives from a Salafist-Bedouin group suspected of links to the terrorist incidents cited above and to other crimes. During the course of this operation, several Egyptian security personnel, including two high-ranking police officers, were killed. In separate skirmishes, several of the fugitives were shot and killed, including Salim Khadr Al-Shanoub and Khalid Musa'id, whom the government identified as key planners of the July Sharm el-Sheikh attacks and three 2004 attacks in Taba involving tourism interests. The Egyptian Government maintained that all of the terrorist incidents that occurred in 2004-05 were conducted by small domestic groups.

During his campaign for the September 7 presidential elections, President Mubarak called for new “anti-terrorism” legislation to replace the decades-old Emergency Law, emphasizing that constitutional and legislative reforms were needed to eliminate terrorism. In explaining his proposal, Mubarak said, "the time has come to create a decisive mechanism to fight terrorism." While defending the use of the Emergency Law, President Mubarak said Egypt should follow the example of other countries that recently passed comprehensive laws to combat terrorism. The Egyptian judicial system does not allow plea bargaining, and historically terrorists have been prosecuted to the full extent of the law. Terrorism defendants may be tried in military tribunals or emergency courts.

Egypt continued to enforce an enhanced security posture for its airports, seaports, and the Suez Canal.

Iraq



Iraqis carry the body of a young girl who was killed in a combined mortar attack and suicide bombing in an apparent strike against Iraqi Muslim Shiites returning from commemorating Ashura, a holy day of the Shiite Muslim year, in February. (AFP Photo/Karim Sahib)

Iraq remains a key front in the global war on terror; US, Coalition, and Iraqi forces are engaging international terrorists as part of the security mission mandated by UNSCR 1546 and 1637 in support of the democratically-elected Iraqi government.

Terrorist attacks are frequent and are conducted by Islamic extremists, former regime elements, and foreign terrorists. Attacks and kidnappings in Iraq targeted foreign aid workers, contractors, and other non-combatants. Usama Bin Ladin, Ayman al-Zawahiri, and Abu Musab al-Zarqawi all declared the importance of victory for their terrorist cause in Iraq. In recent months, a growing distinction between the various elements of the Iraqi insurgency and the foreign terrorists has emerged.

The enemy in Iraq, a combination of rejectionists, Saddamists, and terrorists affiliated with or inspired by al-Qaida, shares a common opposition to the legitimate Iraqi Government and the presence of Coalition forces. It otherwise has separate, and in many cases incompatible, goals.

- The largest group is composed primarily of Sunni Arabs. Many in their ranks are recognizing that they can achieve political objectives by engaging in the political process.
- Saddamists and former regime loyalists have played a lead role in seeking to turn sentiment against the Iraqi Government and the Coalition, with the goal of reestablishing a Ba’athist dictatorship. However, this role weakened as this group identified more with the overall resistance than with the reestablishment of the former regime.

- Terrorists affiliated with or inspired by al-Qaida are the smallest yet most lethal group, and pose the most immediate threat. They are responsible for the most horrific events like kidnappings, beheadings, and suicide attacks specifically aimed at intimidating the public. They espouse the extremist goals of al-Qaida and aim to foment chaos in Iraq, in order to allow them to establish a base for toppling Iraq's neighbors and launching attacks outside the region and against Western interests. Currently, most of the members of al-Qaida in Iraq (AQI) are Iraqi. However, the group includes foreign terrorist fighters, mostly young men recruited from the Middle East and North Africa. Foreign fighters are believed to number about four to ten percent of the estimated 20,000 or more insurgents.

The use of Syria as a facilitation hub for terrorist groups operating in Iraq remained a concern. Foreign terrorists constituted a small percentage of insurgent forces, but their impact was dramatic. Although Coalition and Iraqi commanders consistently reported that most of the enemy killed or captured were Iraqi citizens, the foreign terrorist cells continued to move repeatedly and keep a low profile while training, equipping, and supporting terrorist groups. Local Coalition and Iraqi commanders reported that foreign terrorist cells likely were responsible for a significant number of the more than 500 suicide car bombings and suicide vest attacks since 2003.

The December election in Iraq exposed divisions among the rejectionists and the terrorists over participation in the political process. There were numerous reports in western and north-central Iraq of local Iraqi Sunni insurgent groups engaged in armed disputes (in some cases, deliberate operations) against al-Qaida of Iraq over its targeting of Iraqis and opposition to the election. Despite al-Qaida of Iraq's pledges to increase attacks on election workers, polling centers, and Coalition and Iraqi security forces, December voter turnout in Sunni areas was consistently higher (well over 50 percent) than it had been in the January election. Some Sunni leaders publicly denounced attacks aimed at disrupting the elections.

Terrorist groups coordinated and conducted attacks on Iraq's utility infrastructure and also claimed responsibility for kidnappings and attacks on Iraqi personnel working at refineries and electrical stations. Terrorists' efforts to disrupt and destroy Iraq's energy infrastructure sought to make the Iraqi Government appear incapable of providing essential services, and hindered economic development. These attacks also sought to undercut public and international support for Iraq.

Iraqi security forces continued to make significant improvements in intelligence gathering and analysis as well as border and infrastructure security. There are three Iraqi intelligence agencies operating, each with a distinct intelligence portfolio:

- The Iraqi National Intelligence Service, a domestic intelligence service.
- The Iraqi Police Service Intelligence, which provides intelligence for police operations.
- The Ministry of Defense Intelligence Agency.

Notable Terrorist Organizations in Iraq are:

Tanzim Qaidat al-Jihad fi Bilad al-Rafidayn (QJBR): Tanzim Qaidat al-Jihad fi Bilad al-Rafidayn (al-Qaida of the Jihad Organization in the Land of Two Rivers), is most clearly associated with foreign terrorist cells operating in Iraq and has specifically targeted Coalition forces and Iraqi citizens. In a July 2005 letter to al-Qaida deputy Zawahiri, Zarqawi outlined a four-stage plan to expand the Iraq war to include expelling U.S. forces, establishing an Islamic authority, spreading the conflict to Iraq's secular neighbors, and engaging in battle with Israel. The United States also refers to the group as al-Qaida in Iraq (AQI).

Ansar al-Sunnah: Ansar al-Sunnah (also known as the Followers of the Tradition) is an Iraqi extremist group dedicated to the establishment of an Islamic state in Iraq based on Sharia law.

Kongra-Gel/PKK: The Kurdistan Workers Party (Kongra-Gel/PKK) is a Marxist-Leninist group with roots in Turkey seeking a pan-national Kurdish state carved out of majority Kurdish populated areas. The existence of Kongra-Gel/PKK operatives in northern Iraq continued to be a source of friction between Turkey and Iraq.

Mujahedin-e Khalq Organization (MEK): The MEK, a largely Iranian group, mixes Marxism, nationalism, and Islam. The MEK was formed in the 1960s and was expelled from Iran after the Islamic Revolution in 1979. Since the late 1980s, its primary support came from the former Iraqi regime of Saddam Hussein. The MEK conducted anti-Western attacks prior to the Islamic Revolution. Since then, it has conducted terrorist attacks against the interests of the clerical regime in Iran and abroad.

Israel, the West Bank, and Gaza

Between August 15 and 22, Israel withdrew approximately 8,000 settlers from the Gaza Strip and four northern West Bank settlements, as well as the Israeli Defense Forces (IDF) units protecting them, thus implementing Prime Minister Sharon's disengagement plan. Responsibility for Gaza was turned over to the Palestinian Authority (PA).

Following the Israeli disengagement, Egypt deployed 750 border guards along the Egyptian-Gaza border. Egypt also dispatched security advisers to Gaza to advise the Palestinian Authority Security Forces (PASF) on their new security role along the border.

Palestinian terrorist groups conducted a significant number of attacks in Israel, the West Bank, and the Gaza Strip even after a "period of calm" was agreed in February. All of these groups used a variety of terrorist tactics, including suicide bombs, rocket attacks, pipe bombs, mortar attacks, roadside bombings and ambushes, and shooting at Israeli homes and military and civilian vehicles. The number of victims killed in Israel in terrorist attacks was less than 50, down from the almost 100 individuals killed in 2004. Israeli security forces successfully thwarted other planned attacks.

Palestinian Islamic Jihad (PIJ), the Fatah-linked al-Aqsa Martyrs Brigade (AAMB), HAMAS, and the Popular Resistance Committees (PRC) were responsible for most of these attacks. Within Gaza, Palestinian militants engaged in occasional bloody skirmishes with PA police and security service officials, and periodically shot at polling stations, electoral offices, and PA security complexes.

According to claims by HAMAS, AAMB, and the PRC, a number of terrorist attacks were perpetrated by one or more organizations acting together, including the January 13 truck bombing of the Qarni cargo crossing terminal on the Israeli-Gaza border, which killed six Israeli civilians and wounded another five.

Palestinian Islamic Jihad claimed credit for several terrorist attacks that occurred in Israel, including:

- The February 25 suicide bombing of a Tel Aviv nightclub.
- The July 12 suicide bombing near a mall in Netanya.
- The October 26 suicide bombing at the market in Hadera.
- The December 5 suicide bombing at the mall in Netanya.

HAMAS activity dropped significantly in 2005, in part because of its adherence to the ceasefire, but also because much of its leadership in the West Bank was arrested or killed. HAMAS claimed credit for the pre-ceasefire January 18 suicide bombing in Gaza that killed an Israeli security officer and injured eight other soldiers and security agents. Individuals linked to HAMAS were involved in the September 21 kidnapping and murder in the West Bank of an Israeli resident of Jerusalem.

Fatah's militant wing, the al-Aqsa Martyrs Brigade, claimed credit for the following terrorist attacks, after agreeing to the ceasefire:

- The October 16 drive-by shooting attack at Gush Etzion south of Jerusalem, and a shooting attack the same day in the West Bank in which an Israeli teenager was wounded.
- Qassam rocket launches from the Gaza Strip into the western Negev desert that destroyed property and injured Israeli civilians and soldiers.

The Popular Resistance Committees (PRC) carried out a significant number of terrorist attacks from the Rafah area on the Gaza-Egyptian border, notably rocket attacks against Israel. The PRC was also responsible for armed attacks against construction teams and IDF forces in Gaza during the disengagement process.

The Popular Front for the Liberation of Palestine (PFLP) made no claims to perpetrating any terror attacks, though it continued to coordinate with other foreign terrorist organizations to carry out attacks.

Lebanese Hizballah continued to provide support to Palestinian terrorist groups to augment their capacity for conducting attacks against Israel. Hizballah also continued to call for the

destruction of Israel and used Lebanese territory as a staging ground for terrorist operations. On November 21, Hizballah fighters launched a rocket barrage against border communities and IDF outposts. Acting on threat information that Hizballah intended to kidnap Israelis, the IDF stopped the incursion, killing four Hizballah fighters.

Israeli Government sources reported an upsurge in the PIJ's purchase and resale of goods. Israeli security forces and customs authorities seized containers at the port of Ashdod that contained thousands of dollars worth of merchandise suspected of having been purchased by the PIJ for resale. IDF and civil administration forces also shut down two illegal "Daawa" charity organizations in the West Bank to prevent their possible use as conduits for terror finance.

On August 4, an AWOL Israeli soldier opened fire on a bus, killing four Israeli Arabs and injuring ten. During the attack, he was killed by the angry crowd. Prime Minister Sharon publicly condemned the shooting as an act of terrorism.

After Israel's withdrawal from Gaza, IDF sources reported an increase in the number of explosive devices planted along the fence separating Gaza from Israel. In response to these terrorist attacks, Israel deployed forces along the perimeter of Gaza to prevent rocket and mortar attacks, delayed the expected transfer of West Bank towns to PA control, postponed planned meetings with Palestinian negotiators, and used aircraft to set off sonic booms over Gaza. In response to continuing mortar and rocket attacks against Israel, the IDF also fired rockets and artillery against sites in Gaza used for mortar and Qassam rocket attacks.

In response to continuing threat information, Israeli security forces launched frequent arrest and detention raids throughout the West Bank and Gaza, conducted targeted killings of suspected Palestinian terrorists, imposed strict and widespread closures and curfews in Palestinian areas, conducted airborne rocket attacks on buildings affiliated with designated Foreign Terrorist Organizations (FTOs) in Gaza, and continued the construction of an extensive separation barrier in the West Bank. Israel did not destroy the homes of any suicide bombers or their families.

West Bank/Gaza

The Palestinian Authority's (PA) counterterrorism efforts fell far short of U.S. expectations for the 2005 reporting period. Though the PA Security Forces (PASF) made some improvements in their command and control mechanisms, and contributed to the security of Israel's withdrawal from the Gaza Strip and four settlements in the northern West Bank in August, the PA failed to take resolute action against terrorist groups based in the West Bank and Gaza.

President Abbas' public condemnation of terrorist acts was not matched by decisive security operations following attacks against Israelis. The U.S. Security Coordinator worked with the PASF to encourage comprehensive security sector reform and to enable the PASF to confront militant groups. The PASF, however, did not take serious action against known terrorist groups such as HAMAS, PIJ, PFLP, or AAMB.

On two occasions immediately following the Israeli withdrawal from Gaza, PASF units were involved in military confrontations with HAMAS militants, resulting in clashes that exposed the PASF's lack of sufficient military equipment and organization to confront militant groups operating in areas under PA control. In September, the U.S. Consulate General signed a Letter of Agreement with the PA to provide a limited amount of non-lethal assistance to the PASF.

The PA took some actions to curtail terrorist violence through its political activities. In February, the PA -- supported by the Government of Egypt -- brokered a deal between HAMAS, PIJ, and AAMB for a period of "calm" to allow Israel to withdraw from Gaza and four settlements in the northern West Bank. Although terrorist activity against Israel was reduced during this period, attacks continued. PIJ and PRC were particularly active.

Palestinian terrorist groups continued to operate from Palestinian areas controlled by the PA and the Israeli military. The PASF did not take decisive actions to end the use of Palestinian territory for attacks on Israeli civilians. Terrorist groups, such as PIJ and HAMAS, received support from foreign terrorist organizations and foreign governments, including Syria and Iran, and operated extensively in areas of the West Bank and Gaza under both PA and Israeli military control. The PA did not make any sustained effort to dismantle terrorist infrastructure in territory under its control.

There was periodic low-level cooperation between the PA and Government of Israel security services. The PA worked with the Israeli Government in preparation for the Israeli disengagement from Gaza and areas of the northern West Bank. PASF occasionally provided information to the Israeli Government regarding planned terrorist operations and handed over explosives and other materials located by PA forces. The PA failed to take action, however, in several instances when the Government of Israel provided intelligence on the location and activities of wanted terrorists. In many cases, the individuals were briefly arrested and subsequently released. The PA's lack of action in this area was an obstacle to broader security cooperation.

In the West Bank, the PASF was hindered by restrictions on movement imposed by the IDF. PASF officials frequently raised concerns about operational difficulties imposed by the Government of Israel. While operational issues may have limited the effectiveness of the PASF, a lack of political will from the senior Palestinian leadership was the primary cause of the PA's failure to arrest and prosecute terrorists. In an effort to crack down on terrorists, following the December 5 bombing of a shopping center in Netanya, the PASF arrested nearly 70 militants and activists, most of them affiliated with PIJ.

Efforts to arrest and prosecute terrorists were impeded by a disorganized legal system, the Palestinian public's opposition to action, lack of political will, a weak security apparatus, and inadequate prison infrastructure. Deficiencies in training, equipment, and leadership of the PASF in Gaza were a significant obstacle to PASF actions there. PA courts were inefficient and failed to ensure fair and expeditious trials.

The PA made no progress in apprehending, prosecuting, or bringing to justice the perpetrators of the October 2003 attack on a U.S. Embassy convoy in Gaza that killed three USG contractors.

The PA took steps to end incitement in the Palestinian media. The Palestinian Broadcasting Corporation toned down inflammatory material, including incitement to violence. PA Minister of Information Nabil Shaa'th issued instructions to bar images of dead bodies, graphic footage, and inflammatory videos. Nationalistic songs that typically called on fighting the "Zionist enemy" were taken off the air.

Although progress was slow in creating a Financial Follow-Up Unit (FFU) under the Palestinian Monetary Authority (PMA), the PMA expressed its commitment to build capacity to track and deter financial transactions used to fund terrorist activity. Despite the lack of coordination between the PMA and other ministries, a new Prosecutor General was named. The FFU also continued to lack the legal framework in which to act. The PA does not have an Anti-Money Laundering/Countering Financing of Terrorism (AML/CFT) law.

Jordan



Jordanians demonstrate to condemn the triple suicide bombings against Jordanian hotels in Amman in November. (AFP Photo/Ramzi Haidar)

The Jordanian Government aggressively pursued the network of fugitive Jordanian terrorist Abu Musab al-Zarqawi, believed responsible for attacks in Jordan and Iraq, including the November 9 bombing of three hotels in Amman that killed 63 people and the August 19 rocket attack in Aqaba that also impacted Eilat, Israel. Jordan publicly condemned terrorist acts throughout the world, introduced heightened security measures, and began drafting new

counterterrorism legislation. Jordanian security forces disrupted numerous terrorist plots during the year, including several that targeted U.S. interests.

Jordan's State Security Court, which oversees terrorism-related cases, processed a heavy caseload, many of which involved suspects affiliated with Zarqawi.

The November 9 hotel bombings, the country's worst-ever terrorist attacks, left many Jordanians shocked. The targeting of a wedding reception, in particular, eroded support for Zarqawi and al-Qaida within Jordan. Surveys taken in the weeks after the bombings showed that approximately 80 percent of those polled had negative opinions of al-Qaida; 90 percent believed al-Qaida was a terrorist organization; and approximately 65 percent changed their views as a result of the bombings. The televised confession of would-be suicide bomber Sajida al-Rishawi further reduced support for Zarqawi and Islamic extremists in general.

In mid-November, in response to the hotel bombings, members of the royal family, including Queen Rania and Princess Basma, led a series of street protests, vigils, and marches against terrorism; approximately 200,000 people participated in the largest of these events. The

government promoted religious tolerance, interfaith dialogue, and shared values between civilizations with a number of initiatives, including the July International Islamic Conference in Amman, and the ensuing “Amman Message” of tolerance and moderation in Islam. In December, Jordan called on the Organization of the Islamic Conference to dedicate itself to combating extremism.

After the November bombings, Jordanian Public Security Department commanders met with representatives of hotels, banks, restaurants, and tourist sites to discuss implementing security measures to prevent future attacks. Many hotels, shopping malls, and other major institutions installed metal detectors and electronic surveillance systems. In response to King Abdullah’s call for a strategy to preempt terrorist plots, 23 Jordanian academics created an NGO called The Scientific Society to Combat Terrorism.

Border security remained a top concern of Jordanian officials. Since the Aqaba rocket attack in August, Jordan has enforced strict security measures at the Karama-Trebil border crossing, including thorough manual searches of all vehicles and persons attempting to enter the country. In addition, Jordanian authorities issued a zero tolerance policy toward fuel smuggling. Notably, Jordan and Iraq signed a security agreement to establish a committee to exchange information on terrorists, organized crime, and border infiltration.

The State Security Court (SSC) moved forward several high-profile al-Qaida-related terrorism cases. Legal action against 13 men accused of plotting a chemical bomb attack in Amman in April 2004 continued as reputed cell leader Zamia Jays threatened court officials and admitted meeting with Abu Musab al-Zarqawi in preparation for the attack. In November, prosecutors demanded the death penalty for the plotters. Four of the accused, including Zarqawi, are being tried in absentia. Separately, Zarqawi was sentenced to death by the SSC in 2004 for the 2002 murder of U.S. diplomat Laurence Foley. He is also being tried in absentia for a December 2004 attack at the Karama-Trebil border crossing. In November, the SSC charged Muammar Jaghbir with plotting subversive acts for the 2003 attack against the Jordanian Embassy in Baghdad that killed 17.

Jaghbir was arrested in Iraq in 2004 by U.S. forces and handed over to authorities in Jordan, where he is standing trial for the assassination of Laurence Foley. In September, the SSC sentenced 12 Islamist militants to prison terms ranging from one and one-half to three years (falling well short of the maximum penalties of death or 15 years of hard labor) for plotting terrorist attacks against the U.S. and Israeli embassies. During their sentencing, the defendants praised the September 11 al-Qaida attacks and claimed that the verdict would not dissuade them from pursuing the path of extremism.

The SCC heard several non-al-Qaida-related terrorism cases. The highly contentious trial of more than 100 Jordanians charged with involvement in the 2002 Ma’an riots, which left six dead, began in early 2005. Ninety-five of the defendants are being tried in absentia. The main defendant in the case, Abu Sayyaf, retracted his earlier confession, claiming he was tortured and forced to confess. In January, the SSC sentenced two men to two and one-half year prison terms for plotting attacks against foreign diplomats in Amman. In October, the SSC sentenced five Jordanians to prison terms ranging from one to five years of hard labor for

plotting attacks in Israel and against tourists in Jordan. Another three men were sentenced to five years' imprisonment for plotting attacks on liquor stores and tourists in Aqaba. In November, the SSC said it would re-examine guilty verdicts issued against seven militants convicted of a bungled conspiracy to use poison gas against American and Israeli tourists during Jordan's millennium celebrations in December 1999. An appeals court had ordered a retrial on the grounds that the plotters may be covered under a general amnesty issued by King Abdullah.

In November, the Jordanian Government proposed counterterrorism legislation that would authorize penalties for anyone who condones or supports acts of terrorism. The proposed bill, still in the drafting stage, would also allow authorities to hold terror suspects indefinitely.

Kuwait

The Government of Kuwait strengthened domestic counterterrorism efforts following four separate police actions against terrorists in January that resulted in the deaths of four police officers and eight terrorists, and continued its counterterrorism cooperation with the United States. The Kuwaiti Government has taken measures to bolster security and enhance protection for Coalition Forces transiting Kuwait. Despite these positive steps, the potential for future attacks remains a serious concern. While Kuwait is a strong ally of the United States and verbally supportive of U.S. counterterrorism efforts in Kuwait, the government was reluctant to confront extremist elements within the local population and continued to temper its measures against terrorists with long-time practices of cooptation to maintain domestic stability.

Kuwaiti law lacks strong provisions to deal effectively with those engaged in conspiracy to commit terrorist acts, but Kuwait State Security (KSS) continued to identify and arrest terror suspects. In the past, there were instances of individuals involved in terrorist cells receiving relatively light sentences for involvement in acts of terrorist violence. For example, the May trial of "Jihadists in Iraq" resulted in the conviction of 22 men; their three-year jail sentences are in the appeal process on the grounds of being "too harsh." The 22 were convicted of recruiting juveniles to fight U.S. forces in Iraq and collecting money to send to the Iraqi insurgency. However, on December 27, 37 defendants stood trial for terrorist activities stemming from January's police actions. Thirty of the 37 were found guilty of terrorism charges; six were sentenced to death. Eleven of the 37 remained fugitives. In general, the Public Prosecutor claimed that insufficient and incomplete evidence hampered the conviction of many suspected terrorists.

Kuwait responded quickly to U.S. concerns about a possible terror attack in January, reviewed security, and initiated a search for the individuals considered the source of the threats. Kuwaiti officials also heightened security along the border with Iraq and signed a security pact with the Iraqi Ministry of the Interior in December to prevent the infiltration of militants and transnational terrorists.

A ministerial committee chaired by the Minister of Awqaf and Islamic Affairs was formed in October 2004 to develop strategies to combat terrorism and extremism. It held conferences in

the spring to promote moderation and tolerance among Kuwaiti youth. Through an outreach program, the group is also working on a long-term plan against terrorism and extremist ideology. The same ministry worked with the Ministry of Information to shut down some weblogs that encouraged extremist ideology.

Earlier in the year, Kuwait froze terrorist funds in accordance with UN designations. In the spring, the government froze the assets of Mohsen Al-Fadhli, a known Kuwaiti terrorist who is a fugitive from justice, after receiving the UN directive that put Al-Fadhli on its terrorism finance watch list.

The Government of Kuwait established a ministerial committee to revise and strengthen the country's existing anti-money laundering law to criminalize terror finance and strengthen internal procedures. Nevertheless, the Kuwaiti Government must do more to stem the flow of private donations from Kuwait to extremists in Iraq. There is no effective enforcement of laws governing the transfer and physical transport of currency into Kuwait, and the country has no cash exit declaration policy.

Lebanon



Following the February 14 assassination of former Lebanese Prime Minister Rafiq Hariri and 22 others, his supporters demonstrate in Beirut. Hariri was killed in a huge explosion in central Beirut. (AFP Photo/Joseph Barrak)

In April, Syrian military forces and overt intelligence agents departed Lebanon after 29 years of occupation. Terrorist activities were still carried out in Lebanon, however. Israeli positions in the Blue Line village of Ghajjar in the Israeli-occupied Golan region were attacked on November 21, probably by Hizballah. Al-Qaida in Iraq claimed responsibility for a rocket attack on Israel from Lebanese territory on December 27, but some analysts suspected “rejectionist” Palestinian groups or Hizballah as the perpetrator and, thus far, a clear determination of culpability has not been possible. Throughout the year, Hizballah continued to claim the right to conduct hostile operations along the Blue Line on the premise of a legitimate “resistance” to the occupation of Lebanese territory.

Since October 2004, when a protracted campaign of domestic political violence began, there have been 15 bombings and assassination attempts that resulted in more than 30 deaths, including that of former Prime Minister Rafiq Hariri. More than 230 people have been injured. The attacks have targeted Lebanese journalists and politicians critical of Syrian interference in Lebanon, including Telecom Minister Hamadeh, MP Gebran Tueni, journalist May Chidiac, Defense Minister Elias Murr, and journalist Samir Kassir. These attacks remain unsolved, but the UN International Independent Investigation Commission (UNIIC) is investigating the Hariri assassination and the Lebanese Government, assisted by the UNIIC, is investigating the other acts of political violence.

Since July, when the government of Prime Minister Fouad Siniora took office, Lebanon has taken small but important steps against several terrorist groups, specifically the PFLP-GC and Fatah al-Intifada. Under Prime Minister Siniora, the Lebanese Armed Forces (LAF) surrounded several Palestinian terrorist militia bases and restricted access to them. Similarly, since late 2005, the Lebanese Armed Forces strengthened border control posts and increased patrols along the Lebanese-Syrian border to prevent the flow of weaponry to terrorist groups.

Even with the advances Lebanon has made against terrorism, considerable work remains. The most significant terrorist group in Lebanon is Hizballah, because of its power and influence in Lebanon's Shia community, which makes up about one-third of Lebanon's population. The Lebanese Government still recognizes Hizballah as a "legitimate resistance group." Hizballah maintains offices in Beirut and elsewhere in the country and has elected deputies in Lebanon's Parliament and a minister in Prime Minister Siniora's Council of Ministers (Cabinet). Hizballah also operates a comprehensive system of health and education services in several regions of the country. Although Syria withdrew its military forces in April, it continued to maintain a covert intelligence presence in Lebanon. In addition, Syria continued to offer support for, and facilitated arms smuggling to, Hizballah and Palestinian terrorist groups. Given that the Government of Lebanon does not exercise authoritative control over areas in the Hizballah-dominated south and inside the Palestinian-controlled refugee camps, terrorists can operate relatively freely in both locations.

The Lebanese and Syrian governments have not fully complied with UNSCR 1559, which calls for respect for the sovereignty and political independence of Lebanon, the end of foreign interference in Lebanon, and the disarming and disbanding of all Lebanese and non-Lebanese militias, including Hizballah. The Government of Lebanon, however, has indicated it will abide by its international obligations, including UNSCR 1559's call to disarm all militias. The Lebanese Government and its political leaders maintain that implementation of Hizballah's disarmament should be accomplished through "national dialogue" rather than force. This position complicates the process of implementing UNSCR 1559, because under Lebanon's "consensus" political system, all the country's sectarian communities, including the powerful Shia community, have to agree on a course of action on matters of national security.

A number of Lebanese leaders, including pro-Syrian President Emile Lahoud, reject categorizing Hizballah's activities as terrorist, even though the group's leaders openly admitted to providing support for terrorist attacks inside Israel, the West Bank, and Gaza. Hizballah, which holds 14 seats in Parliament as well as a seat on the Council of Ministers, is widely considered a legitimate participant in Lebanese society and politics. Some government officials and members of Parliament attended the annual militaristic Hizballah parade in southern Beirut on October 28, known locally as "Jerusalem Day."

Lebanese authorities maintain that their provision of amnesty to Lebanese individuals involved in acts of violence during the civil war prevents Beirut from prosecuting many cases of concern to the United States. These cases include the 1985 hijacking of TWA flight 847, during which a U.S. Navy diver was murdered, and the abduction, torture, and murder of U.S.

hostages in Lebanon from 1984 to 1991. U.S. courts brought indictments against Lebanese Hizballah operatives responsible for a number of those crimes.

Despite evidence to the contrary, the Lebanese Government has insisted that Imad Mugniyah, wanted in connection with the TWA 847 hijacking and other terrorist acts, and placed on the FBI's list of most-wanted terrorists in 2001, is no longer in Lebanon. Mohammad Ali Hamadi, who spent 18 years in a German prison for his role in the TWA hijacking, was released in December and is now believed to be in Lebanon. The United States continued its efforts to bring him to trial before a U.S. court and has formally requested his return. The Lebanese Government's legal system failed to hold a hearing on a government prosecutor's appeal in the case of Tawfic Muhammad Farroukh, who, despite the evidence, was found not guilty of murder for his role in the killing of U.S. Ambassador Francis Meloy and two others in 1976.

The Lebanese Government took judicial action on two terrorist incidents that occurred in 2004: an attempted bombing of the Italian Embassy, and an attempt to bring a bomb onto the U.S. Embassy grounds. Two Lebanese citizens, Mehdi Hajj Hasan and Abed Karim Mreish, were tried and convicted for the U.S. Embassy incident; they are serving sentences of five and two years at hard labor, respectively. Other members of the terrorist cell involved in these actions were freed as part of an amnesty law passed in June, but a judicial investigation is still taking place.

On terrorism finance, Lebanon's Special Investigation Commission (SIC), an independent legal entity with judicial status that is empowered to investigate suspicious financial transactions, investigated 165 cases involving allegations of money laundering and terrorist financing activities. Lebanon assumed a leadership role in the Middle East and North Africa Financial Action Task Force.

Morocco

Under the leadership of King Mohammed VI, the Moroccan Government implemented important internal reforms to address the socio-economic conditions that create opportunity for extremist recruitment. In May 2005, King Mohammed VI launched the National Initiative for Human Development to combat poverty, create jobs, and improve infrastructure. This \$1.2 billion initiative targets Morocco's poorest rural areas and worst urban slums with the goal of eliminating the economic conditions that foster exclusion and despair.

Morocco continued implementing reforms to the Ministry of Endowments and Islamic Affairs (MOIA), first announced in 2004, to promote religious moderation and tolerance. The reforms included measures to counter extremist ideology within Koranic schools and mosques, and a one-year training program for incoming male and female imams initiated in April. The Ministry also launched a radio station whose daily broadcasts cover most of Morocco, and continued development of its TV station and website.

In May 2003, Moroccan suicide bombers affiliated with the Salafiya Jihadiya movement attacked several sites in Casablanca, killing 45 people (including the 12 bombers) and injuring

100 others. The government's swift and ongoing crackdown of the Salafiya Jihadiya movement resulted in the arrest of an estimated 3,000 extremists and the sentencing of at least 900 individuals for crimes under counterterrorism laws. Many of these cases were still active in the judicial system, which acquitted at least nine suspects and reduced the prison sentences of at least 30 individuals in 2005.

On March 22, the Judicial Police arrested seven individuals from a Salafiya Jihadiya cell in Mohammedia suspected of planning attacks against a supermarket and restaurants along the coastline near Casablanca. In July, Moroccan authorities arrested seven more individuals from another Salafiya Jihadiya cell in the city of Sale near the capital of Rabat.

Moroccan police linked the Sale cell to six Moroccans whom Algerian authorities had returned to Morocco after their arrest while training with militants from the Algerian terrorist group GSPC. In November, Moroccan security forces dismantled a 17-member incipient terrorist network that was linked to small terrorist groups in Iraq. Two of the five Moroccans who were detained in Guantanamo Bay and returned to Morocco in August 2004 were among those arrested.

Moroccan-born extremists associated with the al-Qaida-affiliated Moroccan Islamic Combatant Group (GICM) were implicated in the March 2004, train blasts in Madrid. Although the recent dismantlement of GICM cells in Europe weakened the group, individual members remained at large.

Oman

Oman implemented a stringent anti-money laundering regime, including surveillance systems designed to identify unusual transactions over the last four years. The government announced new statutes to block money laundering, and the Central Bank announced plans to require financial institutions to verify customer identities using sophisticated biometrics technology. Of note, Oman required moneychangers to report all transactions over \$260. The Omani Government continued to issue public and private statements condemning international acts of terrorism.

Qatar

Qatari-U.S. cooperation was strengthened after a March 19 suicide car bomb attack at an amateur theater playhouse that killed a British citizen. The circumstances surrounding the attack remained under investigation by the Qatari authorities. A number of individuals were arrested, but no firm conclusions were drawn about whether the attacker, an Egyptian, acted alone.

In March 2004, Qatar passed the Combating Terrorism Law that defined terrorism and terrorist acts, listed specific punishments for terrorist crimes to include the death penalty, provided measures against terrorist financing or fundraising activities, and gave the government the authority to take action against these activities. The law incorporated existing

laws, including the penal code, the criminal procedure code, judicial law, an anti-money laundering law, and a law on weapons, ammunitions and explosives.

The Qatar Authority for Charitable Works, which monitors all domestic and international charitable activities, increased its resources and capabilities. The Secretary General of the Authority approves international fund transfers by the charities. The Authority has primary responsibility for monitoring overseas charitable, developmental, and humanitarian projects, and reports annually to government ministries on their status.

Saudi Arabia

Following the 2003 terrorist attacks in Saudi Arabia, the government has engaged in offensive operations against militants. After the December 6, 2004, attack on the U.S. Consulate in Jeddah and the December 29, 2004, suicide bombings at the Ministry of Interior and Emergency Special Forces Headquarters in Riyadh, Saudi security forces carried out numerous operations, including at least four major ones that resulted in the killing and capturing of dozens of militants linked to al-Qaida. In August, after Crown Prince Abdullah officially assumed the throne, Saudi security forces staged successful antiterrorist raids in Riyadh, Mecca, and Dammam.

By year's end, Saudi security forces had killed or captured all of the 26 wanted terrorists publicized in a December 2003 announcement. Saudi Arabia first released a wanted list with the names of 19 al-Qaida members in May 2003, just days before suicide bombings at three Western housing compounds in Riyadh. All 19 of the individuals on the first list have been killed or captured.

In June, the government released a third list with the names of 36 wanted terrorists. By the end of the year, more than ten terrorists on that list had been killed or captured, in addition to numerous other militants and facilitators not previously named on wanted lists. At least eight Saudi counterterrorism officers died in the line of duty, in addition to more than 40 others killed in the previous two years. In recognizing the sacrifices of the Saudi counterterrorism forces, the government initiated survivors' benefits packages, including financial compensation, honor medals, and memorials such as naming streets after the victims. The Saudi Government also introduced public rewards of up to 7,000,000 Saudi riyals (\$1,870,000) for information that leads to an arrest or to the prevention of a terrorist attack.

Nationwide public education and awareness campaigns sought to de-legitimize Islamic justifications for militant activities, while the Kingdom played host to two international conferences focused on terrorism. The Saudi Government also strengthened its capacity to target terrorist financing through the Financial Action Task Force (FATF) and the opening of the Financial Investigations Unit (FIU). In November, Secretary Rice established the U.S.-Strategic Dialogue, which includes a working group on counterterrorism. Overall, counterterrorism cooperation with the United States further improved following the visit of then-Crown Prince Abdullah to President Bush's ranch in Crawford in April.

The Financial Investigations Unit (FIU) originally chartered under 2003 anti-money laundering and antiterrorist legislation, opened on September 10. All banks operating in the Kingdom were required to notify the FIU of any suspicious transactions. In the autumn, the Saudi Government passed a new cash-carrier law that restricted individuals from transporting cash or precious metals worth more than 60,000 Saudi riyals (\$16,000) into or out of the Kingdom. U.S. Immigration and Customs Enforcement officials helped train Saudi officers to enforce these restrictions. The 2003 ban on collecting cash donations at mosques and commercial establishments remained in place. The United Nations Sanctions Committee did not designate any Saudi charities as supporters of terrorism in 2005.

Saudi Arabia took a prominent international role in organizing two major conferences addressing terrorism. In February, more than 50 nations and organizations attended the International Counterterrorism Conference in Riyadh, emphasizing their shared commitment to fight terrorism. The conference closed with the Riyadh Declaration, which calls for greater national, bilateral, and regional cooperation against terrorism, including preventing terrorist acquisition of weapons of mass destruction.

In December, King Abdullah hosted an extraordinary summit of the Organization of the Islamic Conference (OIC) in Mecca, with more than 50 Muslim nations participating. OIC members acknowledged the need to reform the Islamic community to counteract violent misinterpretations of Islam. In the summit's final declaration, OIC members vowed to develop national laws "to criminalize every single terrorist practice and every other practice leading to the financing or instigation of terrorism."

Saudi Arabia carried out a public awareness campaign against extremism in 2005 that included public service announcements, billboards, television programs, activities in schools and mosques, and information at sporting events. Antiterrorism advertisements were broadcast on Saudi channels and on Arab satellite networks. Part of the campaign aimed to personify the victims of terrorism in the Kingdom over the past several years. Top Saudi officials reiterated their anti-extremism messages throughout the year, including the Minister of Interior's declaration that terrorism is "the product of an aberrant ideology that must be fought." In September, the Grand Mufti of Saudi Arabia called for the government to investigate religious scholars who issued unofficial fatwas that inspired violent acts.

Saudi Arabia's cooperation with the United States in combating terrorism was confirmed as senior officials from the White House, the Departments of State, Defense, and Homeland Security, the Federal Bureau of Investigation, and other agencies visited the Kingdom. Also, Saudi Arabia provided the United States with information that led to the November conviction in U.S. District Court of Ahmed Omar Abu Ali for plotting to assassinate President Bush. Saudi authorities had arrested Abu Ali, a Jordanian-American, in Mecca in 2003 for his links to al-Qaida, and transferred him to the United States.

Tunisia

Tunisian law enforcement organizations carefully monitored the activities of Tunisian extremists, both in Tunisia and abroad. The government worked to improve security

procedures at borders and at Tunisian airports. The Tunisian Government actively prevented the formation of terrorist groups inside Tunisia, including prohibiting the formation of religious-based political parties and groups that it believed would pose a terrorist threat. The Government of Tunisia responded positively to U.S. requests for information and assistance in blocking financial assets and in counterterrorism investigations.

United Arab Emirates

The Emirati Government publicly condemned the terror attacks in Amman, Sharm el-Sheikh, London, and Baghdad. In December, Abu Dhabi Crown Prince Sheikh Mohammed bin Zayed al-Nahyan strongly denounced terrorists, saying they had no loyalty to their countries of origin. The Ministry of Justice, Islamic Affairs, and Endowment actively drafted guidance for Friday prayer sermons and was thus able to issue timely condemnations of terrorist acts and also emphasize the virtues of moderate Islam. The Ministry required all 1,500 mosques that delivered sermons to record them each Friday to ensure that imams adhered to prescribed guidelines to prevent extremist preaching.

In December, the Supreme Council, the top policy making body in the country, placed all security agencies under a newly established, though not fully defined and implemented, National Security Council. The Supreme Council's decision follows the government's adoption in August 2004 of a counterterrorism law that defines terrorist crimes and punishments and criminalizes the funding of terrorist organizations. The UAE undertook several border security measures to deter terrorists from reaching UAE soil.

In March, the Container Security Initiative (CSI) became operational at Port Rashid and Jebel Ali in the Emirate of Dubai. CSI has five U.S. Customs officers co-located with the Dubai Customs Intelligence Unit at Port Rashid. CSI is aimed at screening U.S.-bound shipping containers that pass through Dubai ports and that pose a security threat. On average, CSI reviewed approximately 250 bills of lading each week, resulting in 15-20 non-intrusive inspections of U.S.-bound containers. These examinations were conducted jointly with Dubai Customs officers. In addition, Dubai Customs requested that each and every container that originates in Iran be designated for inspection. Cooperation with Dubai Customs in this area was outstanding, and the Dubai CSI operation is a model representative of the program.

In January, May, and September, the State Department's Antiterrorism Assistance Program hosted UAE law enforcement officers for various training programs in counterterrorism and diplomatic security.

The UAE Central Bank provided training programs to financial institutions on money laundering and terrorist financing. In April, the Central Bank hosted the third international hawala (informal money remittance and exchange businesses) conference. The Central Bank investigated financial transactions and froze accounts in response to UN resolutions and internal investigations, and has registered approximately 160 hawala dealers to date.

Yemen

The Republic of Yemen took action against al-Qaida and local extremists, arresting several individuals suspected of having al-Qaida ties and prosecuting the perpetrators of numerous terrorist acts. On February 26, an appeals court upheld verdicts against six al-Qaida members for their role in the October 2000 U.S.S. Cole attack in Aden that killed 17 U.S. sailors and injured 35. The original September 2004 verdict had been appealed by both the defense and the prosecution, the latter arguing that some of the sentences were too light. The appeals court upheld one death sentence against ringleader Abd al-Rahim al-Nashiri, who was tried in absentia. The court commuted the death sentence for Jamal al-Badawi to 15 years' imprisonment. The prosecution failed to secure harsher sentences for the other convicted al-Qaida members, whose original sentences ranged from five to ten years. On August 22, the Supreme Court upheld all six sentences.

On February 6, the Sanaa Appellate Court upheld the convictions against 15 al-Qaida members for multiple crimes: the October 2002 attack on the French tanker M/V Limburg; the murder of a Ministry of Interior officer during the November 2002 attack on an oil company helicopter; a plot to attack the Civil Aviation and Meteorology Authority; a plot to attack four foreign embassies in Sanaa; a plot to kill the U.S. Ambassador; and the forging of documents for the purpose of carrying out terrorism. The appeals court re-sentenced one defendant to death (from a 10-year sentence), awarded harsher sentences for two defendants, and upheld the remaining sentences. The case is expected to be appealed to the Supreme Court.

On April 23, the Yemeni Supreme Court upheld the 2003 death sentences of Ali Ahmed Mohamed Jarallah and Abed Abdulrazak al-Kamel for the December 2002, shootings of three American citizens in Jibla. Jarallah was executed in November. No date has been set for al-Kamel's execution.

Yemeni security forces continued to arrest and try suspected members of al-Qaida and other terrorists groups. In August, the Sanaa Primary Court convicted six al-Qaida members for planning attacks against the British and Italian Embassies and the French Cultural Center. The ringleader, Anwar al-Jilani, received a four-year sentence, with the remaining five defendants receiving sentences ranging from two years to 40 months.

In June, the Sanaa Appellate Court found 11 alleged al-Qaida suspects not guilty of planning attacks on undisclosed targets in Yemen and abroad. The prosecution had alleged that the defendants trained in Afghanistan and were planning to travel to Iraq to fight against U.S.-led Coalition forces.

In August, the Sanaa Primary Court began trying 34 supporters of the slain rebel Shia cleric Hussein Al-Houthi for planning terrorist attacks against Yemeni military sites and the U.S. Ambassador. In December, the Sanaa court also began trying two individuals, Hizam al-Mass and Khalid al-Halilah, for a 2004 plot to assassinate the U.S. Ambassador.

Yemen used its Islamic Dialogue Committee, headed by a leading judge, to continue its dialogue with detainees arrested for connections to terrorist groups and extremist elements. The government releases detainees it considers to be rehabilitated after they pledge to uphold the Yemeni constitution and laws, the rights of non-Muslims, and the inviolability of foreign interests. No comprehensive program exists to monitor recidivism rates. An undisclosed number of released detainees from previous years reportedly have traveled to Iraq to participate in attacks against Coalition forces.

The government's capacity for stemming terrorism financing remains limited. In 2004, the UN 1267 Sanctions Committee designated prominent Yemeni Sheikh Abd al-Majid al-Zindani for his association with al-Qaida. The Yemeni Government took no action to bar his travel or freeze his assets in compliance with its UN obligations. In December, al-Zindani accompanied President Saleh to an Organization of the Islamic Conference meeting in Saudi Arabia.