

Chapter 5

Country Reports

Africa Overview

A small number of al-Qa'ida operatives in East Africa, particularly Somalia, continued to pose the most serious threat to American interests in the region. It is unclear to what extent terrorist groups are present in South Africa, however, the activity of al-Qa'ida and affiliated persons or groups in South Africa and Nigeria, home to Africa's largest Muslim population, is of growing concern. Hizballah continues to engage in fundraising activities in Africa, particularly in West Africa.

Though civil conflict and ethnic violence continued in a number of African countries in 2004, there were few significant international terrorist incidents in Africa during the year. An increase in anti-American and anti-Western rhetoric from a number of Islamic radicals is of growing concern. Many African governments improved their cooperation and strengthened their efforts in the war on terrorism. Both the African Union (AU) and other African regional organizations undertook initiatives to improve counterterrorism cooperation and information sharing.

In October, the Government of Chad helped negotiate the turnover of captured Salafist Group for Call and Combat (GSPC) factional leader Amari Saifi (aka Abderazak al-Para) from a Chadian rebel group to the Algerian Government. Chadian military forces had routed the GSPC element led by al-Para in northern Chad in March, and he was subsequently captured by the rebel group. Al-Para headed a

GSPC faction responsible for the kidnapping of 32 European tourists in Algeria in the summer of 2003. Al-Para took the captives to Mali, where the government was instrumental in securing their release. Members of the GSPC continue to operate in the Sahel region, crossing difficult-to-patrol borders between Mali, Mauritania, Niger, Algeria and Chad. With the help of US-funded training, those countries have increasingly cooperated against the GSPC. At year's end, al-Para was in Algerian custody.

Sahel countries Mauritania, Mali, Niger, and Chad are devoting more resources to improve their counterterrorism capabilities. These countries also participate in the US-sponsored Pan-Sahel Initiative (PSI), a program designed to assist those nations in protecting their borders, combating terrorism, and enhancing regional stability. Components of the program are intended to encourage the participating countries to cooperate with each other against smuggling and trafficking in persons, as well as in the sharing of information. The State Department funded and currently supervises the program, which has included providing equipment and training by US European Command (EUCOM) trainers to Sahel country military units. The United States has also provided counterterrorism training for senior police and other officials from eastern and southern Africa at the International Law Enforcement Academy in Gaborone, Botswana. A continuation of the PSI program, called the Trans Sahara Counterterrorism Initiative, is now under consideration.

Many African nations have taken cooperative action against terrorism, including making real efforts to sign and ratify the 12 international conventions and protocols relating to terrorism. Botswana, Burkina Faso, Ghana, Kenya, Madagascar, Mali, Niger, the Seychelles, and Sudan have signed all 12 protocols. In October, the African Union (AU) opened the new African Center for Study and Research on Terrorism in Algiers. Several nations have formed national counterterrorism centers, including Nigeria, Kenya, and South Africa.



Brig. Gen. Mahamat Saleh Kaya, Joint Chiefs of Staff of the Chadian Armed Forces, congratulates 1st platoon honor graduate Chadian Lieutenant Abakar Ibrahim Iguah during the summer 2004 graduation ceremony at Chadian Army Camp 27 as Maj. Paul Baker, Commanding Officer of the Pan-Sahel Initiative, looks on. (USMC photo by Cpl. Lameen Witter)

Global Terror, Global Response: Partnership in East Africa

The US East Africa Counterterrorism Initiative (EACTI), a \$100 million program announced by President Bush in 2003, dedicated sizeable resources to improving counterterrorism capabilities in the East African countries of Kenya, Uganda, Tanzania, Djibouti, Eritrea, and Ethiopia in 2004. EACTI put into motion steps necessary to accomplish a number of other important objectives in the battle against terrorists and terrorism:

- Financial intelligence units (FIUs) are being developed in several countries, to ensure that nations have the tools they need to stop terrorists abusing their financial systems.
- Police training, along with such items as communications equipment, vehicles, and spare parts, has been provided to assist participating nations to patrol their borders and prevent terrorist infiltration.
- Several countries in the region have received training and computer systems to help them identify, monitor and interdict terrorists at their borders.
- Regional navies and coastal patrols are receiving EACTI-funded training in maritime and coastal border security operations, along with equipment (such as small craft for close-in patrols) and the opportunity to exercise with US and Coalition forces. These efforts are also coordinated through the US Central Command's Combined Joint Task Force, Horn of Africa (CJTF-HOA) located in Djibouti.
- EACTI funds have helped the Kenyan Government improve its National Counterterrorism Center and establish a joint terrorism task force, allowing interagency communication and information sharing on a real-time basis to prevent terrorist attacks and respond to potential terrorist incidents.
- To counter extremist influence and diminish the conditions terrorists seek to exploit for safe haven and recruitment, EACTI is funding teacher education in disadvantaged Muslim communities, encouraging greater access to education for girls, and improving community involvement in education.
- Media and information outreach and English language teaching are expanding, both to put forward a more accurate picture of the United States and its values, and to serve as a counterweight to Islamist-controlled media outlets.

In April 2004, the State Department's Office of Counterterrorism invited EACTI participating nations to Kampala for a conference to review the initiative. G8 representatives and observers from neighboring states also participated. The conference served to strengthen regional ties, particularly in the area of information sharing, and helped to increase international donor interest and coordination in fighting the long-term battle against terrorism.



1st Lt. Marcus P. Cornelius (right), 3rd platoon team leader, leads his platoon in a conditioning run at the Koundoul Training Instruction Center in Chad as part of the Pan-Sahel Initiative in the summer of 2004. (USMC photo by Cpl. Lameen Witter)

Djibouti

Djibouti has taken a strong stand against international terrorist organizations and individuals. Djibouti hosts the only US military base in Sub-Saharan Africa, the Combined Joint Task Force-Horn of Africa, as well as Combined Task Force 150 which operates offshore and is headquartered in Bahrain.

The Djiboutian Government has increased its efforts to train security forces, secure borders, and expand its capacity for maritime interdiction. Djibouti also joined the ranks of countries participating in the US Government's Safe Skies for Africa program in late 2004. Through this program, Djibouti is scheduled to receive assistance to improve its airport security and infrastructure. The Government has also closed down terrorist-linked financial institutions and shared information on possible terrorist activity in the region. The counterterrorism committee under President Guelleh moved to enhance coordination and action on information concerning terrorist organizations.

Ethiopia

Ethiopia's support in the global war on terrorism has been consistently solid and unwavering. The Government of Ethiopia has conducted investigations regarding regional rebel and possibly transnational terrorist threats to Westerners and US military officials in the Ogaden region of Ethiopia. Ethiopia has also been cooperative in sharing information with the United States on terrorist activities. To counter the threat from these groups and from elements of the Somalia-based Al-Ittihad al-Islami (AIAI), Ethiopia has undertaken increased military efforts to control its lengthy and porous border with Somalia. Its draft penal code includes provisions that criminalize terrorism, money-laundering, and providing financial support for terrorism. The Government also has developed and installed new security systems for Addis Ababa's international airport that allow the tracking of terrorists and terrorist supporters, and introduced a new, more secure passport that includes anti-tampering features.



Kenyan defendants, charged with killing 15 people in the bombing of a beachfront hotel north of Mombasa, Kenya, in 2002, stand in the dock at the high court in Nairobi at the start of their trial in February 2004. (AP Photo/Khalil Senosi)

Kenya

Kenya remains an active and critical partner in the war on terrorism. The Government established the National Counter Terrorism Center in January 2004 as well as the National Security Advisory Committee to oversee its operations. However, Kenya registered only slow progress towards the overall strengthening of its capabilities to combat terrorism, prosecute terror suspects, or respond to emergency situations. In April 2003, Kenya published a draft "Suppression of Terrorism" bill, but withdrew it in 2004 due to broad human rights concerns. At year's end, the Kenyan Government had not submitted to parliament a revised draft to address these concerns.

The Kenyan Government has taken the initiative in arresting terrorist suspects and disrupting terrorist operations. The trials of seven terror suspects — arrested in November 2003 on charges related to the Kikambala hotel bombing and attempted shoot-down of an Israeli airliner



US troops in Amaiya, Kenya, doing medical and veterinary work. The US soldiers are based in Djibouti, a tiny Horn of Africa nation that since 2002 has been home to the headquarters of a US-led task force leading the war on terrorism in eastern Africa. (AP Photo/Karel Prinsloo)

in November 2002, the 1998 Embassy bombings and a subsequent plot to attack the US Embassy in 2003 — continued but were not concluded by year's end. Kenya made many security improvements at airports and hotels in 2004, particularly in Mombasa. The Government's uncoordinated response to an explosion at Nairobi's Wilson Airport in October, however, indicates the need for better coordination and continued improvement of security measures.

Nigeria

In 2004, Nigeria remained committed to the global war against terrorism and has stepped up diplomatic efforts in both global and regional forums concerning counterterrorism issues. Nigerian President Olusegun Obasanjo and other African heads of state founded the New Partnership for African Development — geared toward sustainable development in Africa — that has helped African countries combat terrorism. Nigeria initiated and sponsored the first-ever regional conference of security and intelligence service chiefs during 2004 under the auspices of the Economic Community of West African States (ECOWAS). A central theme during this conference was

the need to share information and cooperate more fully on a host of transnational issues, particularly terrorism. This effort was followed by an African Union conference, chaired by President Obasanjo, which specifically addressed the need for broader cooperation within the intelligence and security service communities of AU member countries on the issue of terrorism.

Nigeria has participated actively in international efforts to track and freeze terrorists' assets. However, Nigeria's relatively large and complex banking sector, combined with widespread corruption, makes combating terrorism financing more difficult. There are growing concerns about the rise of radical Islam in Nigeria — home of Africa's largest Muslim population. Links were also uncovered connecting Nigerians to al-Qa'ida in 2004.

In late December 2003, early January and again in September 2004, a group calling itself the "Taleban" raided police stations in the northeastern states of Yobe and Borno, reportedly taking several police officers hostage, stealing weapons, and killing at least seven civilians. Nigerian security services quickly responded to both attacks and claim to have killed or captured dozens of the "Taleban" members in the aftermath of the attacks.

Rwanda

The Rwandan Government has continued to give full support to international efforts to combat terrorism. The Government has been responsive on efforts to combat terrorism financing and has increased its border control measures to identify potential terrorists. Rwanda established an intergovernmental counterterrorism committee and has an antiterrorism section in its police intelligence unit. Despite lack of training and resources, Rwanda's Central Bank and Ministry of Finance officials have provided outstanding cooperation on terrorist financing issues. Rwanda has participated in regional initiatives on international counterterrorism cooperation with other African countries.

During 2004, the Democratic Forces for the Liberation of Rwanda (FDLR), known as the Army for the Liberation of Rwanda (ALIR) until 2001, an armed rebel force including former soldiers and supporters of the previous government that orchestrated the genocide in 1994, continued to operate in Rwanda and the Democratic Republic of the Congo. Rwanda continues to pursue the rebels. An ALIR unit was responsible for the kidnapping and murder of nine persons, including two US tourists, in Bwindi Park in 1999. In 2004, the Rwandan Government assisted US law enforcement officials seeking to prosecute three suspects in the attack who were transferred to the United States for prosecution in 2003. At year's end, the suspects were in US custody awaiting trial.

Somalia

Somalia's lack of a functioning central government, protracted state of violent instability, long unguarded coastline, porous borders, and proximity to the Arabian Peninsula make it a potential location for international terrorists seeking a transit or launching point to conduct operations elsewhere. Regional efforts to bring about a national reconciliation and establish peace and stability in Somalia are ongoing. Although the ability of Somali local and regional authorities to carry out counterterrorism activities is constrained, some have taken limited actions in this direction.

Members of the Somalia-based al-Ittihad al-Islami (AIAI) have committed terrorist acts in the past, primarily in Ethiopia. AIAI rose to power in the early 1990s with a goal of creating an Islamic state in Somalia. In recent years, AIAI has become highly factionalized and diffuse, and its membership is difficult to define. Some elements of AIAI continue to pose a threat to countries in the region, other factions may be targeting Western interests in the region, while still other elements are concerned with humanitarian issues. Some members are sympathetic to and maintain ties with al-Qa'ida.

South Africa

South Africa publicly supports global efforts against terrorism and has shared financial, law enforcement, and intelligence information with the United States. South Africa took several strong steps forward in combating terrorism in 2004, particularly in the legislative arena. The South African Parliament in November adopted the thorough "Protection of Constitutional Democracy Against Terrorist and Related Activities Bill," which has been sent to the President's office for signature into law. The act clearly defines terrorism and specifically criminalizes terrorist activities in application of its international obligations. It prescribes prison sentences of up to 15 years or large fines for those convicted.

Two South Africans were arrested in Pakistan in July as part of the Pakistani Government's efforts against al-Qa'ida. South African officials were satisfied they were not planning to conduct attacks in South Africa. This incident, however, brought to international attention the possibility of South Africans participating in terrorist activities. Some weaknesses of the South African passport were identified, and the Home Affairs Department is taking initial steps to improve the security of both the passport and national identity document.

The South African Government in March organized a four-week multinational Anti-Terrorism Training Program in Pretoria, which brought together police from South Africa and eleven other African countries to teach methods for combating terrorism. In early October, the Government released a report on the first full year's activities of the

Financial Intelligence Unit. The Unit received almost 7,500 reports of suspicious financial transactions. Though the quality of the reports was uneven, this is expected to improve during the Unit's next year of operation. Also in October, the Government announced the establishment of an anti-terrorism "nerve center," to bring together several police and intelligence agencies. A specialized rapid response anti-terrorism unit also is planned for the future.

Tanzania

Tanzania continues to be a supportive partner in the global war on terrorism. It has cooperated on several multi-year programs to build law enforcement capacity, enhance border security, improve civil aviation security, and combat money laundering and terrorist finance. It also hosts the East and Southern Africa Anti-Money Laundering Group (ESAAMLG), an international group whose aim is to develop a comprehensive anti-money laundering regime on a regional scale.

Tanzanian and US authorities established a close working relationship after the bombing in 1998 of the US Embassy in Dar Es Salaam and have cooperated in bringing bombing suspects to trial in New York and Dar Es Salaam. Rashid Sweleh Hemed, on trial in Tanzania in late 2003 for his role in the 1998 Embassy attacks, was acquitted in late December by the High Court following the government's appeal of his initial acquittal earlier in the year. A Tanzanian suspected of involvement in the 1998 bombing, Ahmed Khalfan Ghailani, was arrested in July in Pakistan. Although cooperative, Tanzanian law enforcement authorities still have a limited capacity to investigate terrorist suspects and bring them to justice. A comprehensive Prevention of Terrorism Act, approved in late 2002, has yet to be enforced, and implementing regulations for the law have not been drafted.

Uganda

Uganda continued its firm stance against local and international terrorism. Uganda enacted the Anti-Terrorism Act in 2002, which provides a legal basis for bringing suspected terrorists to court and freezing assets of certain terrorist entities.

The Government of Uganda has fought the Lord's Resistance Army (LRA) since the 1980s. This group has carried out acts of extreme brutality against innocent civilians (kidnapping children for use as soldiers and sex slaves) and operates in northern and eastern Uganda and southern Sudan. In February, the LRA attacked the Barlonyo refugee camp near Lira, Uganda, killing nearly 200 people. In previous years, the LRA received assistance from the Government of Sudan. During 2004, the Sudanese Government cooperated with the Ugandan Government to cut off supplies to the LRA, and to allow the Ugandan military to operate on Sudanese territory. The Ugandan Govern-

ment inflicted severe setbacks to the LRA. It also continued an amnesty program for senior LRA combatants, many of whom opted to come out of the bush and accept the offer. In an attempt to hold a direct dialogue with the LRA, the Government announced a limited ceasefire in mid-November and extended it through December 31, 2004. At year's end, however, no peace had been agreed, and fighting resumed on January 1, 2005, when the LRA ambushed a government vehicle.

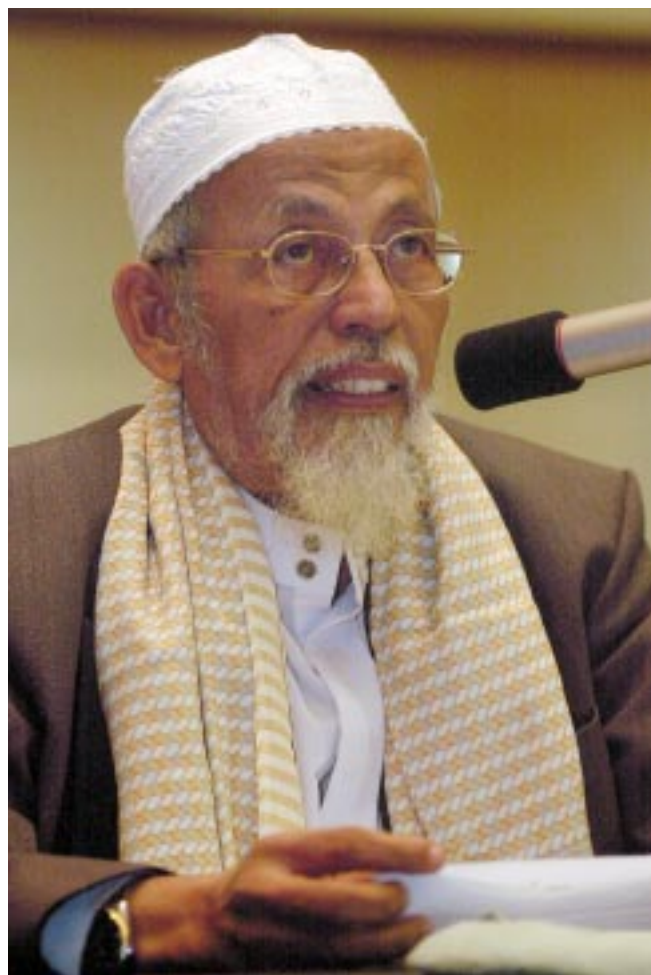
East Asia and Pacific Overview

East Asian countries made significant progress in 2004 in preventing terrorist attacks and creating an international environment inhospitable to terrorists. Despite this progress, Southeast Asia continues to be an attractive theater of operations for terrorist groups such as Jemaah Islamiya (JI) and the Abu Sayyaf Group (ASG). The region faced continuing terrorist threats on several fronts, and in 2004 several terrorist assaults occurred. In February, the Philippines suffered the worst terrorist attack in its history when a bomb planted by the ASG sunk SuperFerry 14, killing approximately 130 passengers. In September, a car bomb was detonated in front of the Australian Embassy in Indonesia, reportedly killing 10 and wounding nearly 200. JI claimed responsibility for the attack.

Because terrorism in Asia is a transnational problem, capacity building in a regional context has emerged as a priority alongside national capacity building efforts. In an important development, centers like the Southeast Asia Regional Center for Counterterrorism (SEARCCT) in Malaysia and the US-Thailand International Law Enforcement Academy (ILEA) in Bangkok expanded their activities to provide counterterrorism training to law enforcement officers throughout the region. Likewise, the Australian-Indonesian Jakarta Center for Law Enforcement Cooperation (JCLEC) is a promising additional regional center for capacity building. Multilateral fora, including the United Nations Security Council's Counterterrorism Committee (UNCTC), G8's Roma-Lyon and Counterterrorism Action Groups (CTAG), Asia-Pacific Economic Cooperation (APEC), the Association of Southeast Asian Nations (ASEAN) and the ASEAN Regional Forum (ARF), also emerged as important organizations for regional and transnational counterterrorism cooperation.



A man carries a young girl who was critically injured by a bomb outside the Australian Embassy in Jakarta in September 2004. Her mother was among those killed in the explosion and her father was critically injured. (AP Photo/Alfian Kartim)



Militant Muslim cleric Abu Bakar Ba'asyir speaks during his trial in December 2004 in Jakarta, Indonesia. Ba'asyir was being tried on charges of leading the Jemaah Islamiya terrorist group and for his involvement in the 2002 Bali bombings and 2003 J.W. Marriott bombing in Indonesia. (AP Photo/Irwin Fedriansyah)

Australia deserves special recognition for its continuing robust counterterrorism posture in 2004, as the Government undertook strong measures not only to improve domestic counterterrorism capacities, but also to strengthen cooperation and capabilities throughout the region. Japan also made valuable contributions to regional counterterrorism capacity building efforts.

Measures to strengthen law enforcement efforts supportive of the global war on terror accelerated in 2004, and several economies in the region developed new institutions to address gaps in their current counterterrorism efforts. The People's Bank of China established an anti-money laundering bureau, which created a terrorist finance investigative unit, and in November Beijing joined the Eurasia Group, a regional anti-money laundering group. In the Philippines, President Arroyo created a multi-agency Anti-Terrorism Task Force (ATTF), which captured over 60 suspected terrorists in its first five months of existence. New Zealand further enhanced its capacity by allocating funds for the creation of National Security Teams specially designated to combat terrorism. Taiwan authorities an-

Asia-Pacific Region Counterterrorism Initiatives

Throughout 2004, the Association of Southeast Asian Nations (ASEAN) and the Asia-Pacific Economic Cooperation (APEC) forum continued to strengthen and expand cooperation to combat international terrorism and other transnational crimes. A series of conferences and ministerial meetings set the tone for future engagement on regional counterterrorism issues, fostering political will and building the capabilities of their respective members to fight terrorism.

The United States has worked closely with the ten member countries of ASEAN (comprising Brunei Darussalam, Burma, Cambodia, Indonesia, Laos, Malaysia, Philippines, Singapore, Thailand, and Vietnam) and through the ASEAN Regional Forum (ARF) (with 24 current participants including all of the ASEAN members and Australia, Canada, People's Republic of China, European Union, India, Japan, Democratic People's Republic of Korea, Republic of Korea, Mongolia, New Zealand, Pakistan, Papua New Guinea, Russia, and the United States) to enhance counterterrorism cooperation. The ASEAN community has vigorously supported expansion of regional counterterrorism capacities as envisioned in the 2001 ASEAN Declaration on Joint Action to Counter Terrorism, and the US-ASEAN Counterterrorism Work Plan is the blueprint for US engagement on this effort. ASEAN members have reached out to neighboring countries to expand cooperation in areas of information exchange and law enforcement cooperation, as well as increasing counterterrorism finance and law enforcement capacity-building efforts through training and education. The ARF continued efforts to increase maritime security cooperation and adopted the ARF Statement on Strengthening Transport Security Against International Terrorism in July of 2004. Working closely with ARF partners Malaysia and Indonesia, the United States in 2004 co-hosted an ARF confidence-building measure in Kuala Lumpur focused on preventing and countering terrorist attacks and other unlawful acts against shipping.

The 21 members of APEC (Australia; Brunei Darussalam; Canada; Chile; People's Republic of China; Hong Kong, China; Indonesia; Japan; Republic of Korea; Malaysia; Mexico; New Zealand; Papua New Guinea; Peru; Philippines; Russian Federation; Singapore; Chinese Taipei; Thailand; United States; and Vietnam) have agreed to dedicate APEC not only to advancing prosperity of their economies, but also to the complementary mission of ensuring the security of their people. The APEC Counter Terrorism Task Force (CTTF) coordinates implementation of the APEC Leaders' 2002 Los Cabos Statement on Fighting Terrorism and Promoting Growth, the Leaders' 2003 Bangkok Commitments on Security, and subsequent APEC Leaders' and Ministers' security priorities. These include counterterrorism, nonproliferation, and trade security initiatives. The CTTF met several times during 2004 to review progress on economies' efforts to dismantle transnational terrorist groups, eliminate the severe and growing danger posed by proliferation of weapons of mass destruction and their means of delivery, and improve regional maritime and port security.

- All 21 APEC members have prepared individual Counter-Terrorism Action Plans, which describe their completed and planned counterterrorism activities, and which identify technical assistance needs, if any.
- APEC economies are working to strengthen export control systems and to increase control and security over Man-Portable Air Defense Systems (MANPADS), based on "best practices" and guidelines agreed at the 2004 APEC Joint Ministerial Meeting.
- APEC members convened the third Secure Trade in the APEC Region (STAR) Conference in February 2004 to foster government and private sector collaboration in protecting sea and air transport from acts of terrorism.

nounced the creation of a counterterrorism policy committee chaired by the Premier of the Executive Yuan and composed of seven multi-agency task forces.

Several countries achieved successes in bringing terrorists to justice, as the fight against terrorism in East Asia matured to move beyond arrests towards prosecutions. The Indonesian police arrested approximately two dozen terrorist suspects, including suspected senior JI leaders, former instructors at JI training camps, financiers of attacks, and members of splinter networks who joined with JI to carry out attacks. When JI Emir Abu Bakar Ba'asyir completed a sentence for document fraud and immigration violations, Indonesian police rearrested and charged him with conspiracy to commit terrorist acts, linking him to the Bali

and Jakarta Marriott bombings as well as to a cache of arms and explosives found in central Java. Ba'asyir's trial on these charges was underway at year's end. Following up on 2003 arrests for channeling terrorist money into Cambodia through the Umm al-Qura Islamic school, a Cambodian court convicted three suspects of supporting JI and sentenced them to life imprisonment. The Philippines arrested numerous ASG members, including a senior ASG leader wanted by the United States for his role in the kidnappings of Americans in 2001, and a Philippines court sentenced 17 ASG members to death, although four were convicted in absentia after having escaped from jail. Lack of specific anti-terrorism legislation continues to be a challenge to comprehensive law enforcement efforts in several countries in the region.

Although governments in Southeast Asia made progress in the fight against terrorism in 2004, they face tremendous challenges as they continue to deal with the terrorist threat. Separatist insurgencies, currently ongoing in the Philippines, Indonesia, and southern Thailand, also contribute to an environment of lawlessness, which terrorist groups may attempt to exploit for their own purposes.

Australia

Australia maintained its robust support for domestic and international counterterrorism efforts in 2004, adding to already significant commitments of personnel and resources. Demonstrating a clearer appreciation than most for the scope and nature of the terrorist threat, the Australian Government worked to advance practical proposals for regional cooperation to deter attacks, disrupt terrorist cells, mitigate the effects of any attacks that did occur, and bring terrorists and their supporters to justice.

In 2004, Australia committed significant resources to strengthen its own national security capabilities in areas such as intelligence collection, protective security, and border protection. In May, the National Threat Assessment Center located within the Australian Security Intelligence Organization (ASIO) began operating 24 hours a day, seven days a week. The Australian Transaction Reports and Analysis Center also assisted regional financial intelligence units by building investigation skills and by helping officers throughout the region detect patterns of financial transactions that could be used in terrorist financing.

The Australian Government also introduced legislation to give ASIO new powers to fight terrorism. By the close of 2004, Australia had designated 17 groups as terrorist organizations under legislation creating offenses for membership in, or other specified links to, such groups. Australia also extended measures to freeze terrorist assets of an additional 55 individuals and entities pursuant to Australia's obligations under UN Security Council Resolutions 1267 and 1390 (and their successor resolutions) and 1373.

The Australian Government conducted a national review of the regulations, reporting requirements, and security for the storage, sale, and handling of hazardous materials, with ammonium nitrate a particular priority because of its ready availability and history of terrorist use. The Council of Australian Governments agreed to ban access to ammonium nitrate for other than specifically authorized users. The agreement mandated establishing in each state a licensing regime for the use, manufacture, storage, transport, supply, import, and export of ammonium nitrate.

The Australian Ambassador for Counterterrorism continued to serve as a focal point for coordinating, promoting, and intensifying Australia's international counterterrorism efforts throughout 2004. In continuation of a major diplomatic initiative, Australia broadened its network of

bilateral counterterrorism arrangements in Southeast Asia. By the end of 2004, the Australian Government had signed nine bilateral memoranda of understanding (MOUs) on cooperation to combat international terrorism with Indonesia, Malaysia, Thailand, Papua New Guinea, the Philippines, Fiji, Cambodia, East Timor, and India.

Australia launched a number of multi-year plans to help countries in the Asia-Pacific region build capacity to combat terrorism in areas such as law enforcement, border management, transportation security, intelligence, anti-terrorist financing, and the development of legal regimes. Australia's support for the Jakarta Center for Law Enforcement Cooperation (JCLEC) in Semarang, Indonesia is a particularly noteworthy development, as JCLEC will serve as a counterterrorism training resource for regional law enforcement agencies. Australia also funded the establishment in 2004 of the Transnational Crime Center (TNCC) in Jakarta, which will provide a focal point within the Indonesian police for prevention, identification and dismantling all forms of transnational crime, including terrorism.

In February, Australia and Indonesia convened a regional meeting of Justice and Interior ministers to strengthen law enforcement efforts on counterterrorism information sharing and cooperative legal frameworks. Australian law enforcement agencies continued to build working-level relationships with their regional counterparts in 2004. The Australians also provided legal drafting assistance to Pacific Island Forum (PIF) states seeking to adopt UN conventions against terrorism and to bring their domestic laws into conformity with the conventions.

In partnership with the United States, Australia played a leading role in continuing development of a Regional Movement Alert List (RMAL) system. A fully functional RMAL should strengthen the ability of participating countries to fight terrorism by monitoring the movement of people across borders. Following completion of a feasibility study undertaken by Australia and the United States, APEC ministers agreed in November to pilot the RMAL in 2005.

Cambodia

Despite legislative and investigative limitations, Cambodia took several important measures to counter the threat of terrorism. On March 31, 2004, Cambodia, with the assistance of the United States, destroyed its entire stock of man-portable air defense systems (MANPADS) in part to ensure these weapons would never fall into the hands of terrorists.

In April, a bomb detonated at a ferry in the southwestern town of Koh Kong, slightly injuring several people. Five persons allegedly belonging to the Cambodian Freedom Fighters (CFF), an anti-government group, were subsequently arrested. Cambodian authorities had previously arrested seven members of the CFF in November 2003 for allegedly planning a terrorist attack in Koh Kong. How-

ever, in October 2004 the court dropped all charges in these cases. Some of the accused claimed they were coerced into confessions.

In December, a Cambodian court convicted three suspects (one Cambodian and two Thai) of supporting Jemaah Islamiya (JI), sentencing them to mandatory life imprisonment. The court acquitted an Egyptian defendant. The case began in May 2003 when the four were arrested by Cambodian authorities for using an Islamic school run by the Saudi Arabia-based non-government organization (NGO) Umm al-Qura as a front for channeling terrorist money into Cambodia from Saudi Arabia. In addition to the arrests of the four, the Government shut down two branches of the Umm al-Qura Islamic School and deported 28 foreign teachers and their dependents. During the trial, the court also convicted in absentia JI operations chief Hambali and two others of attempted murder for terrorist purposes. According to evidence presented in court, Hambali and the others convicted were involved in the planning of terrorist attacks on the US and UK embassies in Phnom Penh.

The Cambodian Government's ability to investigate potential terrorist activities is limited by a lack of training and resources, and it has requested international assistance to upgrade its law enforcement/security capabilities, particularly in border security. The Government has installed with US assistance computerized border control systems at Cambodia's international airports in Phnom Penh and Siem Reap, and land border crossing points at Poipet and Koh Kong. The Cambodian Government has also cooperated fully with US requests to monitor terrorists and terrorist entities listed as supporters of terrorist financing.

China

China continues to take a clear stand against international terrorism and is broadly supportive of the global war on terror. China holds regular counterterrorism consultations with the United States, and is supportive of international efforts to block and freeze terrorist assets. The Chinese Government treats designations of terrorists under US Executive Order 13224 on an equal basis with those designated by the United Nations UNSCR 1267 Sanctions Committee. In 2004, the Bank of China established a financial intelligence unit (FIU) to track suspicious transactions. China joined with Belarus, Kazakhstan, Kyrgyzstan, Tajikistan, and Russia to form the Eurasia Group, a newly created regional anti-money laundering organization or Financial Action Task Force-style regional body, and is in the process of becoming an observer in the Financial Action Task Force (FATF).

In 2004, China agreed to grant permanent status to the FBI Legal Attaché Office in Beijing, thus providing for long-term stability and expansion of US-Chinese law



Approximately 1,000 Indonesian Muslims staged a rally in Jakarta in September to protest against terrorism, two days after suspected Islamic terrorists detonated a suicide bomb outside the Australian Embassy. (AP Photo/Dita Alangkara)

enforcement and counterterrorism cooperation. Although US authorities have sought more timely Chinese responses to terrorist investigation requests, substantive intelligence has been exchanged in some cases. Lack of training and counterterrorism expertise remains an issue for Chinese law enforcement officials, but some received training in combating terrorist financing at the International Law Enforcement Academy in Thailand in 2004. While no acts of international terrorism were committed in China in 2004, there were several reports of bombings and bomb threats in various parts of China. It is unclear whether these were acts of terrorism or criminal attacks. Chinese authorities assert that ethnic Uighur terrorists, primarily based in Xinjiang Uighur Autonomous Region, continue to operate on Chinese territory.

Indonesia

In 2004, Indonesia continued building on its successes combating terrorism, but the bombing of the Australian Embassy in Jakarta in September that killed 10 demonstrates the continued threat posed by terrorists operating in Indonesia. The Indonesian National Police continued to take effective steps to counter the threat posed by the

regional terrorist network Jemaah Islamiya (JI). Indonesian police arrested approximately two dozen terrorist suspects in 2004. Those arrested or convicted in 2004 include suspected senior JI leaders, former instructors at JI training camps, financiers of attacks, and members of splinter networks who joined with JI to carry out attacks. Since the October 2002 Bali bombings, Indonesian prosecutors and courts have convicted more than 100 members of JI or affiliated groups on terrorism charges.

Indonesian prosecutors and courts became a focal point of counterterrorism efforts in 2004, as more than 45 JI members stood trial on terrorism charges in Jakarta, Central Sulawesi, and Sumatra. As in previous years, the Government continued to mount effective prosecutions and the courts continued to convict those arrested in cases such as the Marriott bombing, although prosecution cases could have been strengthened in many instances. Additionally, prosecutors have begun levying terrorism charges against suspects involved in sectarian violence in Maluku and Central Sulawesi.

In September 2003, the Indonesian Supreme Court found suspected JI Emir Abu Bakar Ba'asyir guilty of document fraud and immigration violations, but exonerated him on charges of leading and participating in treasonous acts, accepting defense arguments that prosecutors had shown no connection between Ba'asyir and JI. A Supreme Court decision in January 2004 reduced his sentence from three years to 18 months. As Ba'asyir completed that sentence in April 2004, Indonesian police rearrested him and charged him with conspiracy to commit terrorist acts, linking him to the Bali and Marriott bombings as well as to a cache of arms and explosives found in central Java. His trial began in October 2004 and was ongoing at year's end.

In July, the Constitutional Court struck down the retroactive application of the 2003 Anti-Terror Law, passed after the Bali attack. In a divided decision, the Court ruled that the Bali bombings did not constitute an extraordinary crime. Both the Constitutional Court and Supreme Court officials said publicly the ruling would not affect Bali bombing cases already adjudicated. At the time of writing, no sentences of those convicted of Bali-related charges have been appealed based on the Constitutional Court ruling.

In October, an Indonesian court convicted and sentenced Rusman "Gun Gun" Gunawan, an Indonesian connected to the bombing of the J.W. Marriott hotel in Jakarta, to four years in prison for his role in helping facilitate the transfer of funds for that attack.

The South Jakarta District Court handed down an important verdict in November when it found JI member Mohammad Qital guilty under corporate criminal liability provisions of the Anti-Terror Law. In its decision, the court officially recognized the existence of JI and acknowledged that it engaged in terrorist actions. The court then

found Qital guilty of terrorist activities through his duties as a JI member. However, at year's end, JI was not a banned organization in Indonesia. The Government has also established and is implementing an interagency process for responding to UN 1267 Sanctions Committee designations. The Government of Indonesia notified the UN Resolution 1373 Committee that it has frozen 18 accounts, but the details of those freeze orders are unclear.

By year's end, newly-elected President Yudhoyono had identified the capture of fugitive JI bomb-makers Noordin Mohammad Top and Azahari Hussein as a top priority. The Indonesian Government demonstrated commitment to regional leadership in counterterrorism efforts by working with the Australians to establish the Jakarta Center for Law Enforcement Cooperation (JCLEC), which will develop into a regional counterterrorism training institute.

Japan

Japan continued its strong counterterrorism stance, both domestically and abroad, in 2004. In May, the Diet ratified a mutual legal assistance treaty with the United States. The treaty will make cooperation in investigations and prosecution of terrorists easier.

Japan is active regionally in building counterterrorism cooperation and capacity among Asian countries. In June, Japan announced its APEC Counterterrorism Capacity Building Initiative and its plans to provide assistance to address aviation, port, and maritime security, as well as terrorism financing shortfalls in the region. The Japanese Coast Guard invited students from Southeast Asian countries to study at its academy, provided training for maritime law enforcement activities, and conducted a human resource development project to modernize and further professionalize the Philippine Coast Guard. Japanese officials have led regional seminars on terrorist finance, customs cooperation, law enforcement, immigration control, and export control. To help stem the flow of terrorist financing to al-Qa'ida and the Taliban, Japan designated under its asset-freezing program all entities and individuals included on the UN 1267 Sanctions Committee's consolidated list and sponsored an experts seminar on establishing financial intelligence units for Southeast Asian countries in December 2004.

There were no serious incidents of international or domestic terrorism in Japan during 2004. The leader of Aum Shinrikyo, a US-designated foreign terrorist organization accused of perpetrating the sarin gas attack on the Tokyo subway system in 1995, was sentenced to death in February. Appeals are pending. The Public Security Intelligence Agency is continuing its surveillance of the group through 2005, as authorized by the Public Security Commission in December 2002.

Laos

Laos has continued to support the global war on terrorism, but lacks specific counterterrorism laws. The Office of the Prosecutor General is drafting amendments to existing criminal law, under which acts of terrorism fall, to make more explicit the descriptions of and punishments for terrorism-related crimes. Efforts to implement the counterterrorism provisions of multilateral agreements are hampered by weak enforcement procedures and inefficiency of security organizations. The Government cooperated bilaterally on counterterrorism issues with the United States and other nations, and multilaterally with the United Nations and the Association of Southeast Asian Nations (ASEAN).

Laos suffered a handful of incidents of domestic terrorism in 2004, carried out by groups opposed to the Lao Government. A group calling itself the Free Democratic People's Government of Laos claimed credit for several small bombings, which resulted in one death and a number of injuries. This group also claimed responsibility for several explosions in Vientiane designed to disrupt the ASEAN Summit in late November 2004.

Malaysia

The Malaysian Government continues to be a strong partner in the war on terrorism, taking on a leading role to facilitate regional cooperation, most notably through its Southeast Asia Regional Center for Counter Terrorism (SEARCCT). Malaysia has detained more than 100 suspected terrorists under the Internal Security Act (ISA) since May 2001. According to the Internal Security Ministry, 87 such suspects remained in custody. Malaysia issued eight and renewed 32 two-year detention orders for terrorist suspects in 2004. Five detained terrorist suspects were granted conditional release in 2004.

The SEARCCT, established in 2003, focused primarily on training for regional authorities in law enforcement, banking, and other sectors. US trainers conducted courses for officials throughout the region at SEARCCT, and Malaysian, Japanese, Australian, South Korean, British, Croatian, and Canadian trainers also participated in regional counterterrorism courses, seminars, lectures, and workshops.

The Malaysian Government has worked to ensure that separatist violence in southern Thailand, which has wounded Malaysian tourists, does not spill over into Malaysia. Malaysia has strengthened border controls along the frontier between the two countries.

New Zealand

New Zealand has a strong capacity to develop and implement counterterrorism policies, and further strengthened its role in the global war on terror in 2004 through domestic legislation and regional involvement. In May, New

Zealand hosted a counterterrorism meeting for Pacific Island Forum members. The meeting, which was funded through the Government's Pacific Island Security Fund, discussed the region's counterterrorism obligations and the range of international assistance available to help Pacific Island nations meet these requirements. In December, the Government introduced a bill into Parliament to extend until 2007 New Zealand's UN Security Council-related designations of terrorist organizations. By year's end, New Zealand had designated 420 terrorist organizations and was considering adding more to the list. In its 2004 budget, New Zealand allocated funds for the creation of specially-dedicated National Security Teams to combat terrorism.

Philippines

The Philippines continues to cooperate on a range of bilateral and multilateral counterterrorism efforts. Indigenous terrorist groups, as well as operatives of Jemaah Islamiya, continue to threaten the security of the country. The Philippines suffered the worst terrorist attack in its history when a bomb planted by Abu Sayyaf Group (ASG) terrorists sunk SuperFerry 14 in Manila Bay, killing approximately 130 passengers. In December, a bomb exploded in a crowded market in General Santos City, Mindanao, killing a reported 17 people. No group claimed responsibility for the attack.

Philippine authorities had a number of successes against terrorists in 2004. In March, they arrested seven ASG members responsible for the SuperFerry bombing and uncovered their plans to bomb the US Embassy, shopping malls, and other targets in Metro Manila. In April, a Philippine military unit killed six ASG members on Basilan Island, including Hamsiraji Sali, a senior ASG leader wanted by the United States for his role in the kidnappings of Americans Guillermo Sobero and Gracia and Martin Burnham and Sobero's and Martin Burnham's subsequent deaths. One of the three US-trained Light Reaction Companies bloodlessly apprehended two New People's Army (NPA) commanders in June, and an August air strike against the Pentagon Gang destroyed its leadership and virtually eliminated it as an organization. A court in August sentenced 17 ASG members to death, although four were convicted in absentia after having escaped from jail. In October, authorities arrested two men and one woman for their roles in bomb attacks at the Davao airport and ferry port.

President Gloria Macapagal-Arroyo announced the creation of a multi-agency Anti-Terrorism Task Force (ATTF) in March. During the first five months of its existence, ATTF operatives, backed up by law enforcement, captured over 60 suspected terrorists, seven of them foreigners believed to be elements of al-Qa'ida and JI.

The Philippines has made progress in tracking, blocking, and seizing terrorist assets. The main body tasked with

investigating terrorist finance cases — the Anti-Money Laundering Council (AMLC) — completed the first phase of its information technology upgrades in 2004. The arrests in May and September, respectively, of ASG suspects Khair Mundus and Satrap Tilao on the first-ever money laundering charges against terrorists grew out of an investigation initiated by the US Department of Homeland Security (DHS) in coordination with Philippine officials. On December 17, the Philippines agreed to co-sponsor, with the United States, the submission of ASG leader Khadaffi Janjalani for inclusion on the United Nations 1267 Sanctions Committee list.

Major evidentiary and procedural obstacles in the Philippines, such as the absence of a law defining and codifying terrorist acts and restrictions on gathering of evidence, hinder the building of effective terrorism cases. Although several new counterterrorism bills were introduced in the new session of Congress in July, the Philippines failed to enact new antiterrorism legislation in 2004. Generic problems in the law enforcement and criminal justice systems also hamper bringing terrorists to justice. Among them are corruption, low morale, inadequate salaries, recruitment and retention difficulties, and lack of effective cooperation between police and prosecutors.

US and Philippine authorities worked closely during 2004 to energize rewards programs targeting terrorist groups. Using its Rewards Program, the US Department of Defense made two payments of \$15,000 and \$9,800 to Filipino informants for their roles in the capture of ASG cell leaders Galib Andang (aka “Commander Robot”) and Alhamzer Limbong (aka “Kumander Kosovo”). The US Department of State, through its Rewards for Justice program, made a payment of \$1 million to the three Philippine informants who played a crucial role in the attempted capture of Hamsiraji Sali, during which Sali was killed.

Singapore

Singapore continued its strong opposition to terrorism and worked vigorously to advance the counterterrorism agenda in bilateral and multilateral contexts. While there were no acts of international or domestic terrorism in Singapore in 2004, Singaporean authorities pressed their investigation of the regional terrorist group Jemaah Islamiya (JI), and continued to detain JI members who plotted to carry out attacks in Singapore in the past.

Over the course of the year, the number of terrorism-related detainees held under the Internal Security Act decreased from 37 to 35. Detainees include members of JI and two members of the Moro Islamic Liberation Front (MILF). The “Restriction Orders” authorizing detention require these persons to undergo a program of religious counseling with a group of volunteer religious counselors.

During 2004, Singapore continued its intelligence and law enforcement cooperation with a variety of governments,

including the United States, to investigate terrorist groups, especially JI. Singapore provided information to Indonesia to assist in the second trial of Abu Bakar Ba’asyir. It has requested that Indonesia extradite to Singapore several JI members to face trial for engaging in a conspiracy to commit terrorist acts.

In 2004, authorities updated the Monetary Authority of Singapore Act (Anti-Terrorism Measures) and the United Nations Act (Anti-Terrorism Measures). These regulations prohibit the provision of any funds or other assistance to terrorists, and provide the authority for the seizure of financial or other assets.

Singaporean officials have taken strong measures to enhance maritime security in nearby waters, especially the Strait of Malacca. These measures are focused on addressing terrorist threats as well as piracy and other criminal attacks. The Maritime and Port Authority (MPA) of Singapore issued new security control measures on ships calling at the Port of Singapore, including pre-arrival notification requirements. In July, the navies of Singapore, Indonesia, and Malaysia initiated coordinated patrols in the Strait of Malacca. The Government of Singapore has scheduled a Proliferation Security Initiative maritime interdiction exercise in August 2005. Based on an initiative by Japan, 16 countries, including Singapore, agreed to the regional Cooperation Agreement on Combating Piracy and Armed Robbery against Ships in Asia. The countries agreed to establish a center, based in Singapore, to coordinate information exchange on maritime piracy. Singapore and the other members of the Five Power Defense Arrangement (Malaysia, Australia, United Kingdom, and New Zealand) announced that their agreement would be expanded to deal with terrorism and other unconventional threats, including maritime security.

Singapore actively participated in counterterrorism efforts through various international fora, including the ASEAN Regional Forum, and has worked to enhance regional counterterrorism capabilities. Singaporean police conducted a regional workshop on “Explosives and Suicide Bomber Counter-Measures” to enhance the capabilities of police units in other ASEAN member countries. Singapore hosted an APEC Counterterrorism Task Force meeting to further develop proposals to enhance the counterterrorism capabilities of APEC members, as committed by leaders in November 2003.

Taiwan

Taiwan remains a responsive partner in the global war on terrorism, although it is frequently prevented from participating in international and regional fora on counterterrorism issues.

In November 2004, Taiwan authorities announced the creation of a counterterrorism policy committee chaired by the Premier of the Executive Yuan and composed of seven

Container Security Initiative (CSI)

Announced by US Customs and Border Protection (CBP) in January 2002, the Container Security Initiative (CSI) is intended to ensure that maritime containers posing a risk for terrorism are identified and examined at foreign ports before they are shipped to the United States.

CSI is founded on four core elements: 1) using intelligence and automated information to identify and target containers that pose a risk for terrorism; (2) pre-screening those containers that pose a risk at the port of departure before they arrive at US ports; (3) using detection technology to quickly pre-screen containers that pose a risk; and (4) using smarter, tamper-evident containers.

Under the CSI program, a small number of CBP officers are deployed to work with host nation counterparts to target all containers that pose a potential threat for terrorism as well as WMD, their delivery systems, related technologies, and advanced conventional weapons.

Containerized shipping is a critical component of global trade because about 90 percent of the world's trade is transported in cargo containers. In the United States, almost half of incoming trade (by value) arrives by containers on board ships. Nearly nine million cargo containers arrive on ships and are offloaded at US seaports each year.

Early on, CSI focused on the top 20 foreign ports that ship approximately two-thirds of the volume of containers to the United States. Governments from these 20 foreign ports have already agreed to implement CSI. As CSI has evolved, CBP has expanded the program to additional ports based on volume, location, and strategic concerns.

A reciprocal program, CSI offers participant countries the opportunity to send their customs officers to major US ports to target ocean-going, containerized cargo destined for their countries. Likewise, CBP shares information on a bilateral basis with its CSI partners. As part of reciprocal CSI agreements, Japan and Canada currently station customs personnel in US ports.

Currently Operational Ports:

In North America:

- Montreal, Vancouver, and Halifax, Canada.

In Europe:

- Rotterdam, The Netherlands.
- Bremerhaven and Hamburg, Germany.
- Antwerp and Zeebrugge, Belgium.
- Le Havre and Marseille, France.
- Gothenburg, Sweden.
- La Spezia, Genoa, Naples, Gioia Tauro, and Livorno, Italy.
- Felixstowe, Liverpool, Thamesport, Tilbury, and Southampton, United Kingdom.
- Piraeus, Greece.
- Algeciras, Spain.

In East Asia and the Pacific:

- Singapore.
- Yokohama, Tokyo, Nagoya, and Kobe, Japan.
- Hong Kong.
- Pusan, South Korea.
- Port Klang and Tanjung Pelepas, Malaysia.
- Laem Chabang, Thailand.

In Africa:

- Durban, South Africa.

multi-agency task forces. Each task force is required to collect information and develop operational plans to deal with such contingencies as terrorist attacks on public infrastructure and telecommunication networks. The National Police Administration (NPA) also established a special SWAT team to respond to terrorist incidents and continues to send law enforcement personnel abroad for counterterrorism training.

Cooperation on maritime security issues advanced in 2004, as Taiwan and the United States agreed on a framework to implement the US Department of Homeland Security's Container Security Initiative (CSI) in the southern port city of Kaohsiung. Kaohsiung is one of the busiest container ports in the world and will be the eleventh port in the East Asia Pacific region to implement CSI standards designed to protect shipping containers against exploitation by terrorists and criminal elements. US customs and border protection officers are tentatively scheduled to begin operations with their Taiwanese counterparts in 2005.

Although not a member of the United Nations and therefore unable to become a party to international treaties, Taiwan has nonetheless committed to implement the 12 UN conventions and protocols related to international terrorism, and has taken some unilateral measures to combat illicit money flows. In 2004, Taiwan's legislative Yuan amended the Money Laundering Control Act, strengthening provisions to identify and seize terrorist assets and property. Taiwanese authorities also continue to maintain a centralized database to verify and track remittances.

Thailand

There were no significant acts of international terrorism in Thailand during 2004. However, there was a significant increase in acts of domestic violence fueled by a renewed separatist insurgency based in the far southern provinces of Thailand. The violence has been primarily concentrated in the Muslim majority provinces of Pattani, Yala, and Narathiwat, which are located along the Thai-Malaysian border. Most estimates put the number of deaths this year directly related to the violence at over 500. The victims include government officials and civilians, both Buddhist and Muslim. The Thai Government has expressed concern that Thai militants may be seeking refuge across the border; Malaysia has denied these allegations.

There is no evidence of a direct connection between militants in southern Thailand and international terrorist organizations such as Jemaah Islamiya and al-Qa'ida. However, there is concern that transnational groups may attempt to capitalize on the increasingly violent situation for their own purposes. Long-standing Muslim separatist organizations in southern Thailand continue to be active to some degree, but there is little direct evidence that these groups are actively organizing the violence. Thai separatist groups by all indications remained focused on seeking

autonomy or independence for the far southern provinces. Violence in the south remains focused on government officials and other symbols of Thai authority, as well as civilians.

Thailand has commitments to work with neighboring countries on counterterrorism issues and is a participant in the Southeast Asia Regional Center for Counterterrorism (SEARCCT) in Malaysia.

Thailand is also enhancing the security of its borders by implementing more effective controls. In cooperation with the G8 Counterterrorism Action Group (CTAG) member governments, Thailand has increased efforts to combat document fraud. During 2004, Thailand enhanced its ability to internally coordinate its response to terrorist financing activities. Thailand has embarked on an aggressive program to equip its air, land, and sea ports of entry with a computerized terrorist watch listing system. The system will be operational at a limited number of locations in 2005, with completion forecast for 2006.

Europe and Eurasia Overview

Major terrorist events occurred in Europe in 2004, with hundreds dying in horrific attacks in Spain, Russia, and Uzbekistan, accompanied by major successes, including broad-based international cooperation to secure the Olympics in Greece, and deepened multilateral efforts to improve capabilities to combat the threat of terrorism. European nations continued to work in close partnership with the United States in the global counterterrorism campaign and, galvanized by the Madrid bombings and growing awareness of their own vulnerabilities, took significant steps to enhance their capability to combat terrorists and their supporters. The contributions of European countries in sharing intelligence, arresting members of terrorist cells, and interdicting terrorist financing and logistics continued to be vital elements in the war on terrorism.

The European Union (EU) remained a key partner in the war on terrorism and has moved to strengthen Community legal and administrative capacity, and that of EU member states, to combat terrorism. The EU created the position of Coordinator for Counterterrorism following the Madrid attacks in March. International judicial cooperation advanced as EU members brought into effect the European Arrest Warrant and enacted implementing legislation for US-EU Extradition and Mutual Legal Assistance Treaties. The June US-EU Summit Declaration on Combating Terrorism reaffirmed a wide range of transatlantic commitments to cooperate closely and continue to work together to develop measures to maximize capacities to detect, investigate and prosecute terrorists and prevent terrorist attacks, prevent access by terrorists to financial and other economic resources, enhance information sharing and cooperation among law enforcement agencies, and improve the effectiveness of border information systems. The United States and EU initiated a dialogue on terrorism finance issues in September.

European nations are active participants in a variety of multilateral organizations that have made contributions in counterterrorist efforts, including the G8, NATO, the Financial Action Task Force (FATF), the Organization for Security and Cooperation in Europe (OSCE), the International Maritime Organization (IMO), and the International Civil Aviation Organization (ICAO). They worked actively with the United States and other partners through these organizations to establish and implement best practices, build the counterterrorism capabilities of “weak but willing” states, and institutionalize the war against terrorism globally. OSCE members have committed themselves to becoming parties to the 12 UN terrorism conventions and protocols, to work together to modernize travel documents and shipping container security, and to prevent and suppress the financing of terrorist organizations.

Terrorist activity and the presence of terrorist support networks in Europe remain a source of concern. Efforts to



Investigators at the site of an explosion that hit the General Prosecutor's office in the Uzbek capital Tashkent. In July, suicide bombers staged nearly simultaneous attacks outside the US and Israeli Embassies as well as the prosecutor's office. (AP Photo/Anvar Ilyasov)



A man carries an injured child, who escaped from a seized school in Beslan, North Ossetia, Russia, September 3. (AP Photo/Ivan Sekretarev)



Relatives mourn 11-year old Albert Berdikov near his grave when the town of Beslan marked the end of the traditional 40-day mourning period for the victims of the hostage-taking. (AP Photo/Ivan Sekretarev)

combat the threat in Europe are sometimes hampered by legal protections that make it difficult to take firm judicial action against suspected terrorists, asylum laws that afford loopholes, inadequate legislation, or standards of evidence that limit use of classified information in holding terrorist suspects. Ease of travel within Schengen visa countries also makes Western Europe attractive to terrorists. Some European states have at times not been able to prosecute successfully or hold some of the suspected terrorists brought before their courts. The Clearinghouse mechanism for authorizing EU-wide terrorist designations was unable to generate consensus on action to block the assets of charities associated with HAMAS and Hizballah.

In March, Islamic extremists linked to the Moroccan Islamic Combatant Group (GICM) detonated 10 bombs on commuter trains during the Madrid rush hour, killing 191 persons and wounding hundreds more; several suspects later blew themselves up in order to avoid arrest.

Russia endured a series of deadly terrorist attacks in February, August and September 2004, including explosions on the Moscow subway, suicide bomb attacks that brought down two Russian airliners simultaneously, a suicide bomber attack outside a Moscow metro station, and the seizure of approximately 1,200 hostages, most of whom were school children, at a school in Beslan, North Ossetia, that left at least 331 people dead, more than half of them children, and hundreds of others injured.

In Uzbekistan in March and April 2004, suicide bombers attacked a popular bazaar and other locations resulting in the death of more than a dozen police officers and innocent bystanders. A further round of bombings in July outside the US and Israeli Embassies and the Uzbekistani General Prosecutor's Office resulted in the death of four Uzbekistani security officers.

Deploying thousands of security personnel and working closely with partners from across the globe, Greece staged successful and secure summer Olympic Games.

The Netherlands was rocked by the brutal assassination of a prominent film director by a Dutch-born Moroccan dual national. The killing and its aftershocks, like the Madrid bombings, focused attention throughout Europe on the potential threat from extremist groups recruited from within Europe.

Cooperation among European law enforcement authorities continued to be key to counterterrorism successes. Intra-European information exchanges shed light on the continent-wide linkages of the Madrid bombers and facilitated the April arrests across Europe of suspects connected to the Turkish Revolutionary People's Liberation Party/Front (DHKP/C).

Enhancing regional counterterrorism cooperation has been a priority for the United States. Toward that end, the US Department of State co-hosted with the Swiss Government the sixth Counterterrorism Conference for Eurasian states in Zurich, Switzerland, in December 2004. Participants included most of the Eurasian states, Turkey, and representatives from the World Health Organization, the EU, Interpol, OSCE, NATO, and Poland's recently developed Foundation for the Prevention of Terrorism and Biological Threats. The conference provided participants an opportunity to describe and identify components of their national programs to respond to a bioterrorism attack, and to see how their various governments would respond together to a transnational bio-emergency. The Dutch EU Presidency hosted an EU-wide conference on terrorism finance in Brussels in September, which included participation by the United States as well as other third countries and international organizations, including the United Nations.

The North Atlantic Treaty Organization (NATO) also played a key role in combating terrorism at the regional level in Europe. First and foremost, NATO continues Operation Active Endeavor (OAE), a naval operation aimed at combating terrorism by monitoring maritime traffic in the Mediterranean. Thus far, Alliance warships have hailed over 57,000 vessels and have boarded nearly 100 vessels. Currently, NATO is discussing expanding OAE into the Black Sea and strengthening the mandate's directives for searching for WMD materials. Additionally, during the Olympics, NATO provided critical chemical, biological, radiological, nuclear (CBRN), and air patrol capabilities to the Government of Greece.

Despite limited resources, the countries of southeast Europe have actively supported the international coalition against terrorism. Through the Southeast European Cooperation Initiative (SECI) Regional Center to Combat Transborder Crime, based in Romania, the twelve states



Former Secretary of State Colin Powell welcomes Russia's Defense Minister Sergei Ivanov during their meeting at the State Department on April 6, 2004. The war on terrorism and Russia's relationship with a recently expanded NATO were Ivanov's top issues as he met with US officials. (AP Photo/J. Scott Applewhite)

of Albania, Bosnia and Herzegovina, Bulgaria, Croatia, Greece, Hungary, Macedonia, Moldova, Romania, Serbia and Montenegro, Slovenia, and Turkey cooperated to combat organized crime and various forms of trafficking, enhance border security, and improve training for border security personnel.

In October Belarus, China, Kazakhstan, Kyrgyzstan, Tajikistan, and Russia created the Eurasia Group, a regional anti-money laundering organization or Financial Action Task Force-style regional body (FSRB).

Albania

Despite limited resources, Albania continued to support the global war on terrorism and made progress in implementing its national action plan against terrorism, originally approved in 2002. Albania has steadfastly supported US actions against terrorism, sharing information and investigating terrorist-related groups and activities. In 2004, the Government froze the assets of terrorist financiers, curtailed the activities of suspect Islamic NGOs, and detained or expelled individuals suspected of having links to terrorism or attempting to foment religious intolerance. In July, Parliament passed legislation to implement asset freezes against persons designated as terrorists or terrorist financiers by the United Nations. Albania has begun cracking down on ethnic Albanian extremists, including leaders of the ultranationalist Albanian National Army. In December, police apprehended four arms traffickers dealing in surface to air missiles likely intended for regional extremists.

Armenia

In 2004, Armenia continued to be a full and active participant in the global war against terrorism. A new Armenian criminal law more clearly defining terrorist acts replaced Soviet-era legislation in 2003. The National Assembly passed legislation outlawing money laundering and financing of terrorism in December 2004, bringing Armenian legislation in line with its international obligations to combat terrorist finance, and strengthening the ability of the Government to prosecute terrorist-related offenses. Border Guards seized 42 grams of non-weapons-grade radioactive material in 2004. While none of the material was likely destined for terrorist organizations, the Border Guards have shown that they are capable of detecting and interdicting nuclear material. The Armenian Central Bank fully cooperated with efforts to freeze terrorist assets but reported finding none in 2004.

Austria

Austria continued its participation in multilateral missions, its cooperation with US law enforcement agencies, and its leadership in regional anti-terrorism initiatives. In 2004, the Government made efforts to tighten financial oversight of suspected terrorism financing.

In 2004, the Interior Ministry's intelligence arm, the Federal Office for the Protection of the Constitution and for Terrorism (BVT), stepped up surveillance of suspected Islamic extremists; it also increased monitoring of suspected extremist prayer houses in Vienna and surveillance of the Egyptian al-Jama'ah al-Islamiyah movement and of suspected Afghan extremists entering Austria as asylum seekers. Austria passed legislation to allow police video surveillance of public spaces. Austria's legal and institutional framework to combat terrorism was strengthened. Its money laundering and terrorist financing legislation is now in compliance with FATF 40+9 Recommendations, and the EU-wide arrest warrant became effective in 2004.

Azerbaijan

Azerbaijan and the United States have a very good record of cooperation on counterterrorism issues that predates the September 11, 2001, attacks. With the 2004 ratification of the Convention on Offenses and Certain Other Acts Committed on Board Aircraft and the Convention on the Physical Protection of Nuclear Material, Azerbaijan has acceded to all 12 international conventions and protocols relating to terrorism. While Azerbaijan has served as a route for international mujahedin with ties to terrorist organizations seeking to move men, money, and materiel throughout the Caucasus, the Azeri Government has stepped up its efforts and succeeded in reducing their presence and hampering their activities. Azerbaijan has taken steps to combat terrorist financing and identify possible terrorist-related funding by distributing lists of suspected terrorist groups and individuals to local banks. An experts group, led by the National Bank of Azerbaijan, has prepared draft anti-money laundering legislation that would establish a financial intelligence unit (FIU) and expand the predicate crimes for money laundering beyond narcotics trafficking.

In 2004, the Government continued to make significant arrests of individuals associated with terrorist groups. Members of Jayshullah, an indigenous terrorist group, who were arrested in 2000 and tried in 2001 for plotting to attack the US Embassy in Baku, remain in prison.

Belgium

In 2004, the Belgian Government continued anti-terrorist cooperation with European neighbors and the US Government on multiple levels. Belgium remained active in sharing information with the United States regarding terrorist threats to US interests or persons. In 2004, Belgium and the United States broadened cooperation under the Container Security Initiative — in place for the Port of Antwerp since 2003 — to include a second Belgian port, Zeebrugge. The two governments also agreed to place radiation detection equipment in the Port of Antwerp under the Department of Energy's Megaports program.

The Belgian judicial system applied the rule of law to terrorist conspirators in 2004, when it charged 10 suspects with criminal conspiracy related to possible terrorist activities. Eight of the defendants were found guilty, receiving sentences ranging from 11 months to five years. One of those convicted, Tarek Maaroufi, had been found guilty in the 2003 terrorist trial in Belgium and will serve a total of seven years in prison based on that previous conviction. A Belgian appellate court rejected appeals filed by nine of the 18 convicted in Belgium's 2003 terrorist trial, including Maaroufi and Nizar Trabelsi, a Tunisian national and al-Qa'ida associate. The court actually increased Maaroufi's sentence from six to seven years, while maintaining the ten-year sentence of Trabelsi and the shorter sentences of three other defendants. Another of the appellants, Mouloud Haiter, had his sentence increased from three to four years, while Abelhouaid Aberkan's sentence was reduced from three to two years. A final appellant, who cooperated with authorities in the initial trial, had his sentence suspended.

The Belgian authorities, in cooperation with Spanish, Italian, and Dutch investigators, continued criminal investigations of over 20 other suspects in Belgium for possible terrorism activities, including possible links to the March Madrid bombing and the November murder of Dutch filmmaker Theo van Gogh. Belgian legislation adopted in 2003 to implement the EU's Framework Decision of June 2002 on combating terrorism and the European Arrest Warrant came into effect in December 2003 and January 2004, respectively.

Bosnia and Herzegovina

The Government of Bosnia and Herzegovina (BiH) remained a strong and active partner in the global war on terrorism. The country's ethnic divisions, its complex and multi-level government structure, and its still weak central institutions complicate its efforts against terrorism, but Bosnia made great strides in institutionalizing its counterterrorism capabilities. State-level Ministries of Defense and Security were established in 2004, and the two entity-level (Federation and Republika Srpska) intelligence services were merged into a single state-level service. US Government assistance helped establish the State Investigative and Protection Agency (SIPA), an FBI-like agency responsible for investigating complex crimes including terrorism, illegal trafficking, organized crime, and smuggling of weapons of mass destruction. SIPA will have a financial intelligence unit (FIU), and a sub-unit of its Criminal Investigation Department will be dedicated to counterterrorism and WMD. However, these units of SIPA are not yet fully staffed or fully operational, and state institutions in general are largely under-funded, under-resourced, and lack sufficiently trained personnel.

In June, Bosnia adopted a package of laws that, when fully implemented, will dramatically strengthen state-level law enforcement capabilities. The set of laws includes legisla-

tion giving SIPA law enforcement and investigative authority for state-level crimes, including terrorism, and a law on prevention of money laundering. The law, which came into force on December 28, determines the measures and responsibilities for detecting, preventing, and investigating money laundering and terrorist financing, and prescribes measures and responsibilities for international cooperation. Bosnia lacks established procedures for dealing with such issues as denaturalization, extradition, and preventive detention.

The BiH Government took decisive action in apprehending suspects and shutting down NGOs and bank accounts tied to terrorist-linked organizations. In the past year and a half, Bosnian Federation authorities shut down NGOs with terrorist links and froze accounts of terrorist supporters. In 2004, the Government disrupted the operations of al-Furqan (a.k.a. Sirat Istikamet), al-Haramain and al-Masjed al-Aqsa Charity Foundation, and Taibah International, organizations listed by the UN 1267 Committee as having direct links with al-Qa'ida. Of continuing concern are the foreign Islamic extremists who remain in Bosnia as a legacy of the 1992-95 war.

Bulgaria

Bulgaria is a staunch ally of the United States in the global war against terror. During 2004, the Bulgarian Government continued its high level of cooperation with the United States in preventing acts of terrorism in Bulgaria and elsewhere. This included information sharing on potential terrorist threats. Bulgarian officials have aggressively pursued and developed leads and provided extensive cooperation to US officials. Cooperation with US and regional officials on export and border controls continued to be outstanding.

Czech Republic

Czech authorities have cooperated closely with the US Government and other European governments to prevent terrorist activity. In 2004, the Czechs blocked several exports of weapons and explosives that were linked to possible terrorist activity. Czech authorities responded effectively to requests for increased protection of US facilities, including at the Prague headquarters of Radio Free Europe/Radio Liberty.

Finland

Finland enhanced its ability to combat terrorism in 2004, implementing legislation that allowed it to freeze assets without prior action by the EU or UN. Finland amended its criminal code to make it possible to sentence leaders of terrorist groups to 15 years in jail, although the group has to have actually committed acts of terrorism in Finland before investigation and prosecution can begin. In January, the Finnish Security Police created a special unit concentrating solely on fighting terrorism, the first of its kind in Finland.



Bulgarian Muslims pray at a mosque in Sofia, Bulgaria, for the lives of two Bulgarian civilians working as truck drivers and kidnapped in Iraq by Jordanian terrorist Abu Mus'ab al-Zarqawi, who threatened to execute the two captives if the US military did not release all Iraqi detainees within 24 hours. (AP Photo/Dimitar Deinov)

France

Throughout 2004, France continued to pursue one of Europe's most effective and aggressive counterterrorism policies and made significant terrorism-related arrests. In April, French authorities shut down a cell of the Moroccan Islamic Combatant Group (GICM) that was considered to be extremely dangerous. In July, the Government took custody of four former detainees at Guantanamo Bay and charged them with terrorist conspiracy; all four remain in pretrial detention with trials expected to begin in 2005. In October, French and Spanish authorities struck a significant blow to ETA terrorism through the arrest in France of two top ETA leaders and the seizure of significant arms and materials caches. Judicial and police investigations following the high-profile arrests in 2003 of German national Christian Ganczarski and Moroccan national Karim Mehdi continued in 2004. Ganczarski and Mehdi, who are suspected of ties to al-Qa'ida, remain in pretrial detention in France. The investigation into the activities of suspected terrorist Djamel Beghal concluded in late 2004. His trial, as well as the trials of seven associates, will begin in January 2005. The Beghal network is suspected of

planning a number of terrorist acts, including an attack on the US Embassy in Paris.

The Ministry of Finance's terrorism financing coordination cell TRACFIN maintained direct coordination with the US Treasury Department. At the level of the European Union, France played an active role in the Clearinghouse, the Union's terrorism financing coordination body. France has not designated HAMAS-affiliated charities, arguing that they have no links to terrorism, and continues to oppose designating Lebanese Hizballah as a terrorist organization. France took rapid action in support of US requests to freeze Taliban, al-Qa'ida, and other terrorist financial assets.

In 2004, France expanded its international judicial cooperation. In addition to bringing into force the European Arrest Warrant, France signed with the United States two new agreements in September that updated a bilateral extradition treaty and improved overall counterterrorism cooperation.

Georgia

The Georgian Government remained deeply committed to combating international and domestic terrorism in 2004 and has consistently and publicly condemned acts of terror. Georgia is still used to a limited degree as a terrorist transit state, although much less so since the government crackdown on the Pankisi Gorge in late 2002. Stepped-up Georgian law enforcement counterterrorism operations in late 2004 in Pankisi, in the wake of the Beslan terrorist attack in September 2004 in Russia, have further eroded the ability of transnational terrorist groups to use the Pankisi Gorge as a transit area.

Georgian law enforcement capabilities are limited, although improving through internal reform and US Government and Western donor technical and financial assistance. In particular, the United States is providing counterterrorism training via the State Department's Anti-terrorism Assistance Program. The Procuracy has a special unit of six prosecutors and investigators solely dedicated to terrorism financing and money laundering cases. Efforts to reform the Ministry of Internal Affairs and Ministry of State Security and enhance their counterterrorism capabilities are constrained by lack of adequate resources, equipment, and, mostly, training. These reform efforts, coupled with frequent personnel turnover, have created confusion and prevented development of an overall counterterrorism policy. Border guard and customs reform is continuing, and over the past few years, maritime, air, and communications capabilities have improved considerably.

Germany

Germany continued to be a dedicated and important participant in the global coalition against terrorism; cooperation with the United States remained solid. Throughout 2004 German law enforcement authorities conducted numerous actions against individuals, organizations, and mosques suspected of involvement in terrorism. In some cases, hundreds of individuals and vehicles were searched, which resulted in arrests for document fraud, illegal residency, and weapons violations.

To improve coordination of state and federal law enforcement and intelligence agencies, in December 2004 Interior Minister Schily announced establishment of a Berlin-based "Information and Analysis Center" that will bring together all agencies involved in the German fight against terrorism. In 2004, the German Federal Criminal Office also established an Office for International Coordination to improve counterterrorism collaboration with foreign law enforcement authorities. In July, Germany adopted a new immigration law containing provisions to strengthen Germany's fight against terrorism. The new law took effect in January 2005.

Germany is currently investigating almost 200 cases of terrorism nationwide, but has at times had difficulties in convicting terrorist suspects. The 2003 conviction of Moroccan citizen Mounir el Motassadeq for accessory to murder and membership in the "Hamburg cell" that had formed around 9/11 suicide pilot Mohammed Atta was overturned and Motassadeq was released in April pending a retrial, despite what the court called "strong evidence" of his membership in a terrorist organization. His retrial began in August. A trial on similar charges against another "Hamburg cell" suspect, Moroccan citizen Abdelghani Mzoudi, ended with his acquittal in February. Prosecutors filed an appeal. German authorities have initiated deportation proceedings against both Motassadeq and Mzoudi.

Other notable 2004 arrests and indictments include the cases of several alleged members of the Iraq-based terrorist group Ansar al-Islam. Three Iraqi alleged members of Ansar al-Islam were arrested in December on charges of plotting an attack on Iraqi Prime Minister Ayad Allawi during his visit to Berlin. Tunisian national Ishan Garnoui was indicted by the Federal Prosecutor in January 2004 for attempted formation of a terrorist organization with the intention to unleash explosive attacks on US and Jewish targets in Germany. He was convicted in April 2005 on charges of tax evasion, illegal possession of weapons, and violation of the immigration law, but was acquitted on terrorism charges.

German authorities deported Turkish extremist Metin Kaplan to Turkey, where authorities detained him to face numerous charges, including treason. German authorities

made several indictments and arrests related to the Turkish terrorist group PKK/KADEK/Kongra-Gel, although one prominent PKK suspect was later released.

German prosecutors were unsuccessful in bringing indictments against several prominent al-Qa'ida suspects, including German national Christian Ganczarski, a suspect in the April 2002 bombing of a Tunisian synagogue in which several German citizens were killed. Similarly, authorities were unable to indict Syrian-German dual national Mamoun Darkazanli, but he is in custody and authorities are seeking to extradite him to Spain, where a 2003 arrest warrant accuses him of membership in and providing logistical and financial support to al-Qa'ida. In November, the Federal Constitutional Court blocked his extradition pending its review of the constitutionality of the new European Arrest Warrant.

In 2002 the German Interior Ministry banned the al-Aqsa Foundation on the grounds of providing financial support to HAMAS. In July 2003, a German court temporarily lifted the ban pending a final court ruling, although it also imposed financial reporting requirements on al-Aqsa. In December 2004, following a court ruling upholding the 2002 ban on the al-Aqsa Foundation, German law enforcement officials searched more than 30 al-Aqsa offices nationwide. The Interior Ministry has banned the extremist Islamic association Hizb ut-Tahrir — based outside Germany — from any activity within the country and has seized the association's assets in Germany. The US Government has no evidence that Hizb ut-Tahrir has committed any terrorist acts, but the group's radical anti-US and anti-Semitic ideology is sympathetic to acts of violence against the United States and its allies, and it has publicly called on Muslims to travel to Iraq and Afghanistan to fight Coalition forces.

Greece

Greece continued to strengthen its ability to fight terrorism and held the 2004 Olympic and Paralympic Games in Athens without incident. In June, the Greek Parliament passed new counterterrorism legislation that brought Greece into compliance with the EU Framework Decision on Combating Terrorism, including approval of the EU Arrest Warrant. This legislation made specific reference to terrorist crimes and groups for the first time. Among its provisions, the legislation extends the statute of limitations on terrorist-related killings from 20 to 30 years, established a framework for EU-wide probes and rapid extradition of terrorist suspects within the EU bloc, and provided for harsher treatment of terrorist leaders and those who provide money and logistics to terrorists.

In October, after an eight month process, a Greek court sentenced four of five accused members of the domestic terrorist group Peoples' Revolutionary Struggle (ELA) to what amounts to 25 years imprisonment, the maximum

allowed under Greek law, for bombings/attempted murders, possession of firearms/explosives, and involvement in the 1994 assassination of a police officer. The ELA defense immediately appealed these sentences; by year's end there was no decision on the timing of the appeals. In July the Athens Court of Appeals indicted longtime suspected ELA leader Yannis Serifis for his role in the 1994 assassination; the trial is set to begin in February 2005.

A Greek court announced in October that the appeals process for members of the 17 November (17N) terrorist group, convicted in December 2003 of hundreds of crimes over the years, including the murder of five US Government employees, would begin in December 2005. Top Greek law enforcement officials have stated that further investigation of 17N suspects/evidence will continue and that the case is not considered closed.

Anarchists and domestic terrorists continued to conduct numerous small-scale arson attacks, most involving gas canister or other crude improvised explosive devices (IEDs), against an array of perceived establishment and so-called "imperialist targets," such as banks, US fast food restaurants, courts, and personal vehicles. In May, exactly 100 days before the start of the Olympic Games in Athens, a group calling itself "Revolutionary Struggle" took responsibility for three IEDs which detonated near a police station in the Athens suburb of Kallithea, causing significant property damage but no injuries. The reported number of IED attacks dropped dramatically during the Olympic and Paralympic Games (August-September), but increased soon after.

In October, in a departure from crude IED attacks against property that usually occur in the dead of night, a remotely-controlled device detonated during the morning rush hour near two police buses that were carrying officers to the Korydallos prison (where 17N members are imprisoned). The explosion caused no injuries and only minor damage. No group has thus far claimed responsibility for this attack and Greek authorities have continued their investigation. In December, unknown assailants shot and killed a Greek Special Guard at his post outside the residence of the British Defense Attaché. While the case has not yet been solved, police are treating the case as a domestic terrorist incident.

Hungary

In early 2004, the Hungarian Parliament passed far-reaching legislation on reporting requirements for financial transactions. This follows Hungarian initiatives on money laundering and terrorist financing that brought it into full compliance with EU and Financial Action Task Force norms. Hungary has been fully supportive of the war against terrorism and US initiatives against al-Qa'ida and other terrorist organizations both within its borders and abroad.

Cooperation with US and regional officials on export and border controls is outstanding. In several cases in 2004, Hungarian officials aggressively pursued and developed leads and provided extensive cooperation to US officers that have stopped the transshipment of hazardous goods. Hungary is actively improving its technical ability to track and control dangerous materials, and its accession into the EU is accelerating this process.

Italy

Italy has been a staunch ally in the war against terror. The commitment of the Government of Italy to the global war on terrorism remained steadfast, despite two separate hostage-takings in Iraq, the brutal murders of an Italian journalist and another Italian hostage, and terrorist threats throughout the year against Italy for its participation in the OEF coalition and in the reconstruction of Iraq, and for its active efforts against terrorism.

Italy's law enforcement authorities maintained the initiative against Italy-based terrorist suspects through investigations, detentions, prosecutions, and expulsions. According to Ministry of Interior data and the media, Italian authorities in 2004 arrested more than 60 individuals suspected of planning or providing support to terrorist activity, both international and internal. Many of those arrested were suspected al-Qa'ida sympathizers and recruiters supporting anti-coalition activities in Iraq. Many were also suspected of having ties to Ansar al-Islam and other al-Qa'ida-linked extremist organizations. Included among those arrested was Rabei Osman Sayed Ahmed, who was suspected of involvement in the March Madrid bombings. In April, Italy coordinated with four of its European neighbors the arrests of multiple suspects believed to have ties to the Turkish DHKP/C and in September, Italian intelligence and law enforcement agencies joined with Lebanese authorities to thwart a plot to attack the Italian Embassy in Beirut. Italy's Minister of Interior continued to expel terrorist suspects he believed posed a serious terrorist threat.

The domestic leftwing terrorist group, the new Red Brigades-Communist Combatant Party (BR-CCP), presents a diminished threat due to Italian authorities' continued efforts to dismantle the organization. In June, the BR-CCP's presumed leader, Desdemona Lioce, was given a life sentence for killing one police officer and wounding a second during a train shootout in 2003.

Kazakhstan

After the July 30 suicide bombings in Tashkent, Uzbekistan, the Government of Kazakhstan aggressively sought leads and prosecuted individuals involved with extremist groups targeting Western interests in the region. The Government's cooperation and timeliness in sharing information with the United States has greatly improved since 2003. The

Government is pursuing legislation to make banking laws more transparent to facilitate terrorist finance investigations. In October, Kazakhstan, along with Belarus, China, Kyrgyzstan, Tajikistan, and Russia joined the Eurasia Group, a regional anti-money laundering organization or Financial Action Task Force-style regional body. Kazakhstan, along with China, Kyrgyzstan, Russia, Tajikistan, and Uzbekistan, is a member of the Shanghai Cooperation Organization, which established a Regional Antiterrorism Center in Tashkent in June.

In October, the Supreme Court recognized al-Qa'ida, the East Turkistan Islamic Party, the Kurdish People's Congress, and the Islamic Movement of Uzbekistan (IMU) as terrorist groups, a decision that prohibits them from any activity in the country. Lacking legislative means for prosecuting suspected terrorists, the Government must use other provisions of its criminal code. In 2004, Kazakhstan arrested and tried more than 60 individuals suspected of participation in Hizb ut-Tahrir activities. They were prosecuted under the criminal code for "participating in activities of illegal organizations" (although Hizb ut-Tahrir has not been banned by name in Kazakhstan) and "inciting social, national, tribal, racial, or religious hatred." Several thousand members of Hizb ut-Tahrir, an extremist political movement advocating the establishment of a borderless, theocratic Islamic state throughout the entire Muslim world, are present in Kazakhstan, Kyrgyzstan, Tajikistan, and Uzbekistan as well as in countries outside the Central Asian region. The US Government has no evidence that Hizb ut-Tahrir has committed any terrorist acts, but the group's radical anti-US and anti-Semitic ideology is sympathetic to acts of violence against the United States and its allies, and it has publicly called on Muslims to travel to Iraq and Afghanistan to fight Coalition forces.

In November, the Government announced that Kazakhstani security agencies had detained leaders and accomplices of the Central Asia Mujahedeen Jamaat (more frequently referred to in English as the Islamic Jihad Group). More than a dozen suspects were detained, including four women who were allegedly preparing to be suicide bombers. This group was alleged to have links to the July 30 bombings in Tashkent.

Kosovo (Serbia and Montenegro)

Kosovo, currently under the administration of the United Nations Interim Administration Mission in Kosovo (UNMIK) pursuant to UN Security Council Resolution 1244, successfully prosecuted individuals for terrorism and developed new tools to combat terrorist financing. Radical Islamic organizations, some with links to terrorism, have attempted to recruit followers among Kosovo Albanian Muslims but these attempts have largely failed. In June 2004, authorities in Albania arrested and extradited Florim Ejupi to Kosovo, a suspect in a deadly 2001 terrorist attack against a bus carrying Kosovo Serbs; Ejupi was

later indicted by a local Kosovo District Court for terrorism and murder. In February, UNMIK passed a regulation and later established a Financial Information Center to monitor suspicious financial transactions and deter money laundering and identify sources of terrorist financing. UNMIK, as well as Kosovo's local Provisional Institutions of Self-Government (PISG), continue to cooperate closely with the United States and other governments in sharing information and investigating terrorist-related groups and activities.

Kyrgyzstan

Kyrgyzstan in 2004 remained a dependable and outspoken ally in the global war on terrorism, taking political, legislative, and law enforcement initiatives to disrupt and deter terrorism.

Kyrgyzstan suffered a deadly act of terrorism in 2004. An explosion in the southern city of Osh in November killed one police officer and one suspected terrorist. The Ministry of Interior announced in December that it would open a temporary antiterrorism center in Osh. In December the Kyrgyz Parliament began consideration of a law on terrorism financing that, if passed, will considerably strengthen Kyrgyzstani efforts in this area. In April, Kyrgyzstan added Hizb ut-Tahrir to the list of banned religious extremist groups, though members are typically only arrested for distributing literature that "incites religious, ethnic or racial hatred." Several thousand members of Hizb ut-Tahrir, an extremist political movement advocating establishment of a borderless, theocratic caliphate throughout the entire Muslim world, are present in Kazakhstan, Kyrgyzstan, Tajikistan, and Uzbekistan as well as in countries outside the Central Asian region. Hizb ut-Tahrir pamphlets, filled with anti-US propaganda, have been distributed throughout the southern region of the country and even appeared in Bishkek and other parts of the north. The US Government has no evidence that Hizb ut-Tahrir has committed any terrorist acts, but the group's radical, anti-US and anti-Semitic ideology is sympathetic to acts of violence against the United States and its allies, and it has publicly called on Muslims to travel to Iraq and Afghanistan to fight Coalition forces.

Kyrgyzstan's military and internal forces worked to improve their counterterrorism capabilities and to expand their cooperation with regional partners in 2004. The Kyrgyz, Tajik, and Kazakh Border Services held joint exercises along their common borders in June to improve regional cooperation against terrorists. In July, Russia, Armenia, Belarus, Tajikistan, Kazakhstan, and Kyrgyzstan held joint military counterterrorism exercises in Kyrgyzstan. In April, the National Border Service opened an Inter-agency Training Center, which will focus on training to fight illegal migration and terrorism. Kyrgyzstan and China signed a bilateral agreement in September on cooperation against terrorism, separatism, and extremism.

Kyrgyzstan hosts a Commonwealth of Independent States (CIS) counterterrorism center in its capital, Bishkek. Kyrgyzstan, along with China, Kazakhstan, Russia, Tajikistan, and Uzbekistan, is a member of the Shanghai Cooperation Organization, which established a Regional Antiterrorism Center in Tashkent in June. In October, Kyrgyzstan, along with Belarus, China, Kazakhstan, Tajikistan, and Russia, formed the Eurasia Group, a regional anti-money laundering organization or Financial Action Task Force-style regional body.

The Netherlands

In November 2004, the Netherlands was rocked by the murder of prominent Dutch film director Theo van Gogh by a Dutch Moroccan acting out of radical Islamic convictions, prompting a national debate on the need to toughen immigration and counterterrorism legislation.

In June, the Dutch for the first time successfully convicted two individuals of terrorist activity; two men suspected of plotting to bomb the US Embassy in Paris were sentenced to six and four-year jail terms, respectively. The appeals court ruled information by the General Intelligence and Security Service (AIVD) served as a legitimate base for starting criminal investigations, thereby allowing use of AIVD intelligence as evidence. Justice Minister Donner submitted legislation codifying the court's ruling to allow the use of intelligence information in criminal proceedings. The bill is still awaiting parliamentary action.

The Act on Terrorist Crimes, implementing the 2002 EU framework decision on combating terrorism, became effective in August. The Government also reorganized its counterterrorism efforts to centralize and coordinate information sharing, currently shared by multiple ministries and agencies. As part of this effort, the Justice and Interior Ministries have proposed additional legislation to enhance the ability of law enforcement to detect and prevent terrorist activity and to hold and prosecute terrorists.

The six-month Dutch EU Presidency placed a priority on counterterrorism issues. The US and the EU initiated a dialogue on terrorism finance issues in September. The Netherlands finance ministry and Europol hosted a joint US-EU workshop for prosecutors and investigators of terrorism finance cases in November. EU leaders approved updated Presidency action plans on counterterrorism and terrorist financing in December.

Using national sanctions authority, the Dutch blocked the accounts and financial transactions of a HAMAS fundraiser, the al-Aqsa Foundation, and al-Qa'ida-affiliated Benevolence International Nederland. In July, the Netherlands froze all financial assets of the Dutch branch of al-Haramain. The Dutch have also been active in seeking support for an EU designation of Hizballah as a terrorist group.

The Netherlands continued its cooperation with the United States on shipping and port security. Under the Department of Energy's (DOE) Megaport/Second Line of Defense Initiative, four radiological monitors (provided by DOE) became operational in the port of Rotterdam in February. An estimated 31 additional monitors (funded by the Dutch) will be installed by the end of 2006. Improved security targeting at the port resulted from bilateral discussions. In July, the Government approved an experiment with air marshals on certain transatlantic flights, and the Dutch also permitted US immigration officials to return to Schiphol Airport to assist with US-bound passenger screening (now part of the Immigration Assistance Program).

Norway

Norway remained a stalwart ally in the war against terror. Due to lack of evidence admissible in Norwegian courts, authorities dropped their criminal case against suspected Ansar al-Islam leader (and Norway resident) Mullah Krekar but ordered his expulsion from Norway on national security grounds. The administrative and legal processes related to the expulsion order have extended into 2005.

Poland

Poland continued to play an active role in the war on terrorism as a leader in Central and Eastern Europe. In 2004, Poland's active Financial Intelligence Unit — the General Inspectorate for Financial Information (GIIF) — amended legislation to include non-profit organizations and legal practitioners as institutions obligated to file reports. The GIIF suspended five transactions worth 650,000 Euros, and blocked 12 accounts worth 2.1 million Euros in cases involving money laundering.

Portugal

In response to the March 11 train bombings in Spain, Portuguese security forces reassessed the security situation for the June-July EURO 2004 soccer tournament, increasing security at all levels within the country, enhancing cooperation with neighboring countries, and soliciting NATO air support during the games. While the games went forward without incident, the Portuguese addressed certain vulnerabilities, most notably the use of false documentation, and the relative ease with which terrorists could enter the country. In November, the media revealed that Portugal had apprehended ten suspected terrorists, predominantly Moroccan nationals, on the eve of the EURO 2004 opening ceremony in Porto. The suspected terrorists were deported both to Morocco and the Netherlands. One was later linked to the terror cell that carried out the murder of Dutch filmmaker Theo van Gogh. In addition, accused Indian terrorist Abu Salem remained in Portuguese custody pending extradition to India.

Romania

Romania is a staunch ally of the United States in the global war against terrorism, providing full public and diplomatic support for US goals to counter terrorism. The Romanian Government has established internal mechanisms to combat terrorism, including adoption of a national antiterrorism strategy and guidelines to prevent the use of the Romanian financial and banking system for the purpose of financing terrorist acts. As part of its national strategy, Romania adopted legislation in 2004 that delineates the responsibilities of Romanian Government institutions in battling terrorism, providing a clearer framework for interagency coordination and cooperation. Bucharest hosts the headquarters of the Southeast European Cooperation Initiative's regional center that provides law enforcement training and intelligence sharing on transborder criminal activities, including terrorism, for 12 member countries in Southeastern and Central Europe.

Russia

Russia pursued several major domestic and global counterterrorism initiatives in 2004, expanding its role in the global war on terrorism. Russia's leadership and public assigned increasing importance to counterterrorism following a series of deadly terrorist attacks in 2004. Separatist terrorists based in the North Caucasus were responsible for the murder of hundreds of Russian citizens. There is evidence of a foreign terrorist presence in Chechnya and of international financial ties with Chechen groups, although much of the actual terrorist activity in the region and elsewhere in Russia is homegrown and linked to the Chechen separatist movement.

Throughout the year, Russia continued revamping its domestic counterterror legislation and restructuring its law enforcement and security services in response to the terrorist threat. It facilitated effective interdiction of terrorist finance flows as a full member of the Financial Action Task Force (FATF). In October, Russia fulfilled its pledge to create a Central Asian FATF-style regional body (FSRB) — the Eurasia Group — whose members include Belarus, China, Kazakhstan, Kyrgyzstan, Tajikistan, and Russia. As chair of that new group, Russia declared its intention to create a training center in Moscow to bolster regional cooperation.

On September 13, immediately following the Beslan tragedy, President Putin announced political reforms (including the presidential nomination of governors) that the Government said would result in greater domestic security. Some Russians view those reforms as anti-democratic, and the United States expressed concerns about the nature of some of the proposals and the degree to which they would address Russia's counterterrorism efforts.

Examples of noteworthy law enforcement and judicial actions undertaken by Russia in 2004 include: Zarema

Muzhikhoyeva, a failed Chechen suicide bomber, was convicted of terrorism by a Moscow court in April and sentenced to 20 years in prison. In November, Russian law enforcement officials arrested Alisher Usmanov, whom the Russian authorities allege was the leader of a terrorist cell. Usmanov was reportedly carrying explosives and al-Qa'ida training manuals at the time of his arrest. Abdulla Aliyev, an aide to Chechen terrorist Shamil Basayev, was convicted of involvement in Basayev's 1999 incursion into Dagestan after returning to Dagestan from self-imposed exile in Turkey and confessing to prosecutors. He was given an eight-year suspended sentence.

Russia increasingly oriented its foreign policy to strengthening efforts to fight terrorism and engaged in bilateral counterterrorism cooperation with numerous countries, including the United Kingdom, India, France, Pakistan, Japan, and Germany. President Putin created the post of Special Envoy for International Counterterrorism Cooperation and appointed former Deputy Foreign Minister Anatoliy Safonov to fill that role. Safonov co-chaired many of the bilateral meetings.

The US-Russia Counterterrorism Group met in March and October, fostering cooperative operational links between numerous US agencies and their counterparts in Russia. The Russian Federal Security Service (FSB) and the US Federal Bureau of Investigation (FBI) regularly exchanged operational counterterrorism information, and several joint investigations were underway in 2004. The FSB and Russia's Foreign Intelligence Service (SVR) have provided information to US agencies that has helped identify potential terrorism financing flows and suspect bank accounts and transactions. During FBI Director Mueller's December 2004 visit to Moscow, he and FSB Chief Patrushev signed a comprehensive memorandum of cooperation between the two agencies on counterterrorism, specifically committing them to the timely sharing of terrorist threat information. The FSB and FBI agreed to expand their cooperative exchange program to include information on weapons of mass destruction. Russia also cooperated extensively with the DHS Transportation Security Agency to increase airport security following terrorists' downing of two Russian airliners in August. The US Department of Treasury and Russia's Federal Service for Financial Monitoring (FSFM) submitted a joint report to Presidents Bush and Putin in July 2004 on Cooperative Strategies for Countering Terrorist Finance.

Russia was the chief sponsor of UN Security Council Resolution 1566, passed October 8, which created a working group to explore ways to sanction terrorist groups not covered by the al-Qa'ida/Taliban Sanctions Committee and strengthened the UN's Counter-Terrorism Committee (CTC). Russia chaired the CTC in the latter half of 2004 and was active in numerous other international fora in building cooperative mechanisms and programs to counter terror. For example, Russia led efforts in the Asia-Pacific Economic Cooperation (APEC) and the Shanghai Coop-

eration Organization (SCO) to focus those organizations on counterterrorism cooperation. Russia signed a joint declaration on international counterterrorism cooperation with the Association of Southeast Asian Nations (ASEAN) in Jakarta in July, and has pushed that organization's members to create a Russia-ASEAN counterterrorism task force. Russia has urged the OSCE and other organizations to orient their missions and goals to the global counterterrorist fight. The NATO-Russia Council adopted a joint counterterrorism plan at its December meeting in Brussels. Russia signed an agreement at the same meeting to begin permanent participation in 2005 in NATO's Operation Active Endeavor by providing naval assets to the ongoing sea interdiction operation in the Mediterranean.

Major terrorist acts perpetrated against Russia during 2004 included, in chronological order:

On February 6, suicide bombers blew up a Moscow subway train, killing at least 41 and wounding more than 100.

On April 6, a suicide bomber tried to assassinate Ingush President Murat Zyazikov by ramming an explosive-laden vehicle into Zyazikov's motorcade. The blast wounded four of Zyazikov's bodyguards and two civilians. Zyazikov was lightly wounded.

On May 9, Chechen President Akhmed Kadyrov was assassinated during Victory Day celebrations in a Grozny stadium.

On June 22, armed militants seized a Ministry of Interior building in Ingushetia, killing at least 92 people.

On August 24, suicide bombers simultaneously brought down two Russian airliners, killing 88 passengers and crew.

On August 31, a female suicide bomber killed at least eight persons and wounded more than 50 others when she detonated explosives outside a Moscow subway station.

September 1-3, terrorists seized approximately 1,200 hostages, more than half children, at a school in Beslan, North Ossetia. Two days later, an explosion inside the gymnasium where hostages were held sparked a fierce gun battle between terrorists and security forces. According to official figures, 331 people were killed, 172 of them children, though many believe the actual number of deaths was higher. Hundreds of others were injured.

Slovenia

Slovenia hosted a regional anti-money laundering conference for eight of its Balkan neighbors in October 2004. In 2004, Slovenia changed its penal code, increasing the prison term for money laundering from three to five years. Slovenia is actively involved in regional efforts to combat money laundering and terrorism financing, working

throughout the Balkans and Eastern Europe, especially with Serbia and Montenegro, Ukraine, Macedonia, and Russia, through its Office for Money Laundering Prevention (OMLP). In 2004, Slovenia provided police trainers in Amman, Jordan, to train Iraqi policemen. Slovenia provides training to its non-EU member neighbors on border security and enforcement against financial crimes.

Spain

Spain remained a strong ally in the global war against terrorism and suffered a massive terrorist attack in March, when Islamic extremists attacked commuter trains in Madrid, killing 191 and wounding hundreds of others.

On the morning of March 11, 2004, terrorists detonated bombs on commuter trains, including five near Atocha, the city's biggest train station. Police discovered that extremists associated with the Moroccan Islamic Combatant Group (GICM), most of them North African residents of Spain, had carried out the attacks. On April 2, authorities located an explosive device under the high-speed railway connecting Madrid and Seville that failed to detonate. On April 3, seven suspects sought by police in connection with the March 11 bombings detonated explosives in an apartment in a Madrid suburb in order to avoid arrest. All seven suspects and one police officer were killed in the explosion. Authorities are holding approximately two dozen individuals in connection with the March 11 bombings. Those charged in the case are pending trial on charges of murder and belonging to a terrorist organization.

Spain has arrested and indicted scores of individuals with possible links to al-Qa'ida since September 11. In November, Spanish police arrested more than 30 suspected members of a radical Islamic organization, disrupting apparent plans to bomb Spain's High Court, Madrid's largest soccer stadium, the headquarters of the opposition Popular Party, an office building, and other public landmarks. Spain requested the extradition from Switzerland of



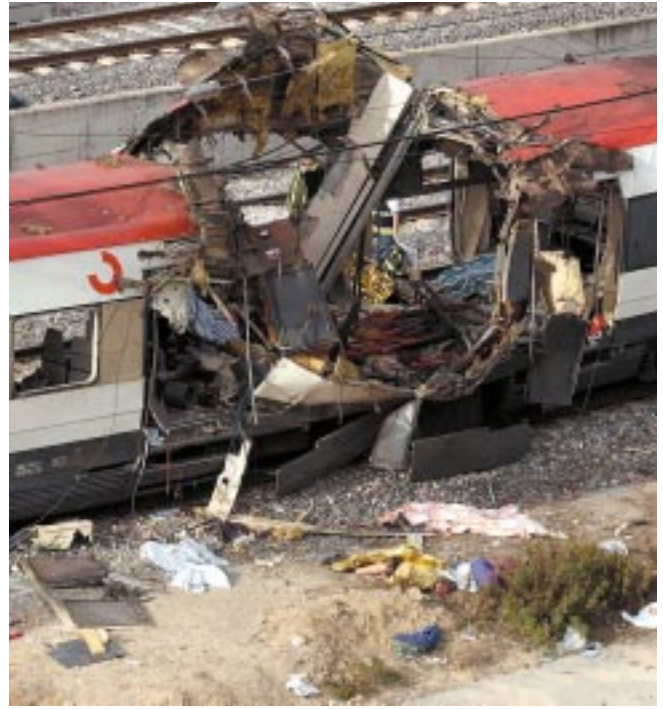
Relatives and friends bury a victim of the train bombings at Madrid's South Cemetery March 13. Nearly 200 people were killed in Spain's worst terrorist attack when bombs were placed in commuter trains in the Spanish capital on March 11. (AP Photo/Denis Doyle)



Two people injured by an explosion in a train wait for aid outside the train station of Atocha in Madrid, March 11. (AP Photo/EFE, Jose Huesca)

Mohamed Achraf, the alleged leader of this terrorist conspiracy, also known as “Mikael Etienne Christian Lefevre.” Extradition was authorized in January 2005 by the Swiss Federal Office of Justice, and in April 2005, Achraf’s appeal against extradition was denied. In May, a Spanish judge ordered the detention of three Algerian nationals and one Spanish national for their ties to an al-Qa’ida cell in Hamburg, Germany. Police in Barcelona arrested ten Pakistani nationals suspected of providing logistical and financial support to Islamic extremist groups outside of Spain. At the time of their arrest, Spanish officials explicitly said these individuals were not known to be linked to al-Qa’ida. On December 17, Spanish police arrested Moroccan national Hassan El Haski and three other members of the Moroccan Islamic Combatant Group in the Canary Islands on charges of participating in the March 11 train bombings.

Spain has had some success in prosecuting terrorism cases. In November, a Spanish judge issued the first sentence connected to the March 11 train bombings, sentencing a 16-year-old male to six years in a juvenile prison facility and five years probation for helping the conspirators obtain the explosives used in the blasts. In November, a judge ordered the detention of an al-Jazeera television network journalist with alleged ties to the Spain-based al-Qa’ida network of Imad Eddin Barakat Yarkas. The journalist had



A body of a dead passenger lies next to a damaged train car in Atocha train station in Madrid March 11 after bombs rocked trains in three train stations. (AP Photo/EFE, J.J. Guillen)

been released on bail in 2003 for health reasons. The trial of 24 suspects charged in the Barakat Yarkas case is scheduled to begin in April 2005. The prosecutor is requesting 25-year prison terms for each victim of the 9/11 attacks for several members of the Barakat Yarkas cell.

Spain scored significant successes in its decades-old campaign to eliminate domestic terrorist groups, including the Basque Fatherland and Liberty (ETA) organization, a radical terrorist group. Spanish police arrested more than 70 individuals in 2004 for association with or membership in ETA and dismantled several ETA operational terrorist cells, dealing a blow to ETA’s logistic, recruitment, and operational capabilities. In October, a joint French-Spanish investigation led to the arrest in France of high-ranking ETA terrorists Mikel Antza and Soledad Iparragirre. Antza was the leader of ETA at the time of his arrest and Iparragirre was sought in connection with 14 murders. ETA carried out a series of bombings of tourist areas during the summer and detonated 12 bombs on December 3 and 6 in Madrid and eight other cities, resulting in minor injuries to approximately a dozen people. Spanish and French authorities also made joint advances against the domestic terrorist group First of October Antifascist Resistance Group, all but eliminating the group.

US Attorney General John Ashcroft visited Spain on December 17 to sign the bilateral protocols to the US-EU Mutual Legal Assistance Treaty and Extradition Agreement, deepening bilateral judicial cooperation. In December, Spain signed a Memorandum of Understanding with the US Department of Energy for the installation of nuclear

material detectors at the port of Algeciras. Spain is also cooperating with the Department of Homeland Security on the Container Security Initiative to scan containers bound from Algeciras to the United States for hazardous materials. Spain led the effort in the EU to approve the EU-wide common arrest and detention order, which the EU approved in late 2001. Spain co-chairs with the United States the Financial Action Task Force (FATF) Terrorism Finance Working Group and is pressing to become a standing member of the G8's Counterterrorism Action Group on the basis of its high level of technical counterterrorism assistance to third countries.

Tajikistan

The Government of Tajikistan continues to be a staunch supporter of the United States in the global war on terrorism. The Tajik Government directs intelligence and law enforcement resources against terrorist groups operating within its borders such as the Islamic Movement of Uzbekistan. In addition, Tajikistan combats terrorist financing by distributing lists of designated terrorist groups and individuals to local banks and other financial institutions. On the international level, Tajikistan participates in antiterrorist initiatives advanced by the Shanghai Cooperation Organization (SCO) and the Community of Independent States Antiterrorist Center. The SCO established a Regional Antiterrorism Center in Tashkent in June. In 2004, Tajikistan, with Russia, Kazakhstan, Kyrgyzstan, China, and Belarus, co-founded the Eurasia Group, a regional anti-money laundering organization or Financial Action Task Force-style regional body. The United States currently provides technical aid to the antiterrorist units of the Tajik Government. With the assistance of the United States and other foreign countries, Tajikistan's law enforcement personnel receive training in such areas as crisis management, bomb detection, and post-blast investigation. In 2004, Tajikistan worked with Russia to extradite a Tajik citizen to Russia to stand trial for accusations of terrorist acts in 2000.

Turkey

Turkish authorities, long staunch counterterrorism allies, continued to provide strong support in the global war on terrorism. Domestic and transnational terrorist groups have targeted Turks and foreigners, occasionally including US Government personnel, for over 40 years. International and domestic terrorist groups operating in Turkey include Marxist-Leninist, radical Islamist, separatist, and pro-Chechen-separatist groups. In response to these threats the Government has developed strong determination and the capability to fight most domestically-based terrorism. The Marxist-Leninist Revolutionary People's Liberation Party-Front (DHKP/C) continued to be active, and allegedly was responsible for a blast on an Istanbul bus in June that killed four and injured more than a dozen, as well as a number of smaller "sound" bombs. Turkish law enforce-

ment authorities pursued several successful operations against DHKP/C cells.

In the summer of 2004, PKK/KADEK/Kongra-Gel renounced its self-proclaimed cease-fire and threatened to renew its separatist struggle in both the Southeast and Turkey's western cities. The Turkish press subsequently reported multiple incidents in the Southeast of PKK/KADEK/Kongra-Gel terrorist actions or clashes between Turkish security forces and PKK/KADEK/Kongra-Gel militants. PKK/KADEK/Kongra-Gel maintains approximately 500 armed militants in Turkey and an estimated 3,000 to 3,500 armed militants in northern Iraq, according to Turkish government sources and NGOs.

A new group calling itself the Kurdistan Liberation Hawks (TAK) used pro-PKK/KADEK/Kongra-Gel media sources in Germany to claim responsibility for several attacks on civilian targets this year, including two Istanbul hotels, the governor of Van province, and a music festival in Mersin. Several civilians, including international tourists, were killed and dozens were wounded in these attacks.

A criminal trial is underway for dozens of defendants charged with involvement in the November 2003 bombings of banks and synagogues in Istanbul. The lead defendants have admitted to contacts with al-Qa'ida and warned of further attacks if Turkey continues to cooperate with the United States and Israel. However, most of the other defendants denied any responsibility for or knowledge of the bombings. Verdicts are not expected until sometime in 2005.

On March 9, a suicide attack against an Istanbul Masonic lodge killed one attacker and one other person and wounded several others. Statements made by the surviving attacker suggest the attack was conducted by Islamic extremists against what they believed was a "Zionist" or Jewish target. Thirteen suspects have been charged in this attack, including one who is also a defendant in the trial related to the November 2003 bombings.

In May, Turkish authorities announced that they had foiled a plot to attack the NATO Summit in Istanbul. Turkey charged nine alleged members of the Ansar al-Islam terrorist group — which has ties to al-Qa'ida — with planning the bombing.

Turkmenistan

The Government of Turkmenistan has been a cautious member of the international coalition against terrorism, taking limited action to secure its border with Afghanistan, demonstrating greater willingness to accept some border security expertise and equipment from the international community, and instituting new airport security measures.

There was a significant change in the Government's attitude toward terrorism, specifically "domestic terrorism," following the November 25, 2002, attack on President Niyazov's motorcade. The intent of the new antiterrorism laws and strictures, however, has been to strengthen internal security controls to ensure the survival of the Niyazov government. The effect of these new laws has been a serious infringement on civil liberties and violations of human rights.

To build on its Law on Fighting Terrorism, adopted in August 2003, the President issued a decree in September 2004 approving the creation of the State Commission on Fighting Terrorism. The Department for Organized Crime at the Ministry of Internal Affairs also took on the responsibility for counterterrorism activities in 2004, becoming the Department for Counterterrorism and Organized Crime.

Ukraine

The fight against terrorism is a top foreign policy priority for the Government of Ukraine. Ukraine does not suffer from a domestic terrorism problem. In 2004, Ukrainian courts carried out no prosecutions on charges of international terrorism, although in May Ukrainian authorities arrested an Iraqi, two Greeks, and a Pakistani in a sting operation to foil an attempt to buy weapons for use in Iraq by the Iraqi insurgency; the four were convicted in late December, given suspended sentences, and deported.

United Kingdom

The United Kingdom has been and remains one of the United States' strongest partners in the global fight against terrorism. In what was reportedly the largest counterterrorism operation in the UK since 9/11, police in March arrested eight men, all British citizens of Pakistani descent, and seized a half-ton of ammonium nitrate. The men were charged under the Terrorism Act for involvement in a plot to manufacture and deploy an improvised explosive device. The UK has not commented publicly on the eight plotters' likely target. Their trials are expected to begin in 2005. In an unrelated case, police arrested eight men in August for planning a terrorist attack in the UK. All eight were charged with terrorism-related offenses, and at the time of their arrests, it was widely reported that police suspected them of having links with al-Qa'ida. Their trials are expected to begin in late 2005. The first trials for individuals arrested in connections with the 2003 "ricin plot" began in September. A second group of trials related to the ricin plot are likely to begin after the first group concludes.

UK law enforcement authorities may detain without charge individuals suspected of having committed a terrorism-related offense for up to 48 hours. Until January 2004, this period could be extended by court order to seven days. In January, a new law came into force allowing court or-

dered detention without charge for up to 14 days. In December, the UK's highest court ruled that special immigration powers that allowed the Home Secretary to detain indefinitely certain foreign nationals were incompatible with the European Convention on Human Rights (ECHR). In response to the ruling, the detention powers were allowed to lapse and Parliament adopted the Prevention of Terrorism Act. The Act gives the Home Secretary powers to make control orders that impose a range of conditions, including a ban on Internet or mobile phone use, restrictions on movement and travel, restrictions on association with named individuals, curfews, and tagging. These may be applied to both UK citizens and foreign nationals suspected of involvement in international terrorism.

The UK continued to assist with the US request for the extradition of Khaled al-Fawwaz, Adel Abdel Bary, and Ibrahim Eidarus for their involvement in the 1998 bombings of two US embassies in East Africa. However, all three have exercised their legal right to make representations to the Home Secretary against their surrender to the United States. The United States has also requested the extradition of Abu Doha in connection with the December 1999 plot by Ahmed Ressam and others to attack Los Angeles International Airport. As in the case of the Embassy bombers, his case is before the Home Secretary. In May, British officials arrested the radical cleric, Abu Hamza, on a US extradition warrant. The UK Government subsequently arrested Hamza on separate terrorism-related charges and in October the Crown Prosecution Service charged him with 16 criminal offenses, including soliciting murder, inciting racial hatred, and possessing a document that contained information "of a kind likely to be useful to a person committing or preparing an act of terrorism." The British case against Hamza takes legal precedence over the US extradition request, which has been suspended until the British case is settled. In August, the United States requested the extradition of Babar Ahmed, an alleged terrorist recruiter.

UK law enforcement and intelligence authorities work closely with their US counterparts. The regular exchange of law enforcement reporting and intelligence has resulted in the successful disruption of several significant plots to commit terrorist attacks against unspecified targets in the UK and the United States. The Metropolitan Police have also assisted other international partners with terrorism-related investigations, including Turkey, Saudi Arabia, Indonesia, and Iraq.

The United States and the United Kingdom are also strong allies in combating terrorism finance. Both work closely together and with other partners within the United Nations and the Financial Action Task Force (FATF) and the G8 Counterterrorism Action Group to promote initiatives to deny terrorists and their supporters access to the international financial system. The UK has strong legal provisions for freezing assets related to terrorist financing.

In 2004, the United States and the UK co-sponsored a proposal to the UN 1267 Sanctions Committee to include on its consolidated list the Jama'at al-Tawhid wa'al-Jihad (subsequently renamed al-Qa'ida of the Jihad Organization in the Land of the Two Rivers), the organization which was responsible for the bombing of UN headquarters in Baghdad and the brutal abduction and execution of seven civilians in Iraq.

In Northern Ireland, Republican and Loyalist paramilitary organizations have increasingly shifted their activity from political actions to criminal racketeering. This shift began with the 1994 ceasefires of the Provisional Irish Republican Army (PIRA), the Ulster Defense Association (UDA), and the Ulster Volunteer Force (UVF), and has accelerated since the signing of the Good Friday Agreement in 1998. Two relatively small "dissident" Republican paramilitaries — Continuity Irish Republican Army (CIRA) and Real Irish Republican Army (RIRA) — are not observing a ceasefire, and continue to advocate the use of armed violence to support their goal of uniting the northern and southern parts of Ireland. The activities of Loyalist paramilitaries take place almost exclusively within Northern Ireland, while Republican paramilitaries also have a presence in the Republic of Ireland.

In December, unknown persons suspected of being linked to PIRA robbed a Belfast bank of some \$50 million dollars.

Uzbekistan

Uzbekistan has played an active role in multilateral regional efforts to address terrorism. In June, the Shanghai Cooperation Organization (SCO) Regional Antiterrorism Center was established in Tashkent and is in the early stages of development. The SCO membership includes China, Kazakhstan, Kyrgyzstan, Russia, Tajikistan, and Uzbekistan. After an explosion at a safe house in Bukhara, suicide bombers attacked a popular bazaar and other locations in Tashkent in March and April, resulting in the deaths of more than a dozen police officers and innocent bystanders and dozens of injuries. These were the first suicide bombings to occur in Central Asia. A further round of bombings took place in July outside the US and Israeli Embassies and the Uzbek General Prosecutor's Office, resulting in several injuries and the death of two Uzbekistani police officers at the US Embassy, one Uzbekistani National Security Service Officer, and an Uzbekistani guard at the Israeli Embassy. The Government of Kazakhstan has recently detained individuals suspected of organizing these latest attacks.

Uzbekistan continues to make countering terrorism and anti-government threats a high priority. In August and September, Uzbek courts convicted more than 80 individuals of terrorist activities for their involvement in the March and April attacks.