

Chapter 6

STATE SPONSORS OF TERROR OVERVIEW

Libya and Sudan continued to take significant steps to cooperate in the global war on terror. Cuba, Iran, North Korea, and Syria, however, continued to maintain their ties to terrorist groups. Iran and Syria routinely provide unique safe haven, substantial resources and guidance to terrorist organizations.

State sponsors of terrorism provide critical support to non-state terrorist groups. Without state sponsors, terrorist groups would have much more difficulty obtaining the funds, weapons, materials, and secure areas they require to plan and conduct operations. Most worrisome is that some of these countries also have the capability to manufacture WMD and other destabilizing technologies that can get into the hands of terrorists. The United States will continue to insist that these countries end the support they give to terrorist groups.

State Sponsor: Implications

Designating countries that repeatedly provide support for acts of international terrorism (that is, placing a country on the terrorism list) imposes four main sets of U.S. Government sanctions:

1. A ban on arms-related exports and sales.
2. Controls over exports of dual-use items, requiring 30-day Congressional notification for goods or services that could significantly enhance the terrorist-list country's military capability or ability to support terrorism.
3. Prohibitions on economic assistance.
4. Imposition of miscellaneous financial and other restrictions, including:
 - Requiring the United States to oppose loans by the World Bank and other international financial institutions;
 - Lifting diplomatic immunity to allow families of terrorist victims to file civil lawsuits in U.S. courts;
 - Denying companies and individuals tax credits for income earned in terrorist-listed countries;
 - Denial of duty-free treatment of goods exported to the United States;
 - Authority to prohibit any U.S. citizen from engaging in a financial transaction with a terrorist-list government without a Treasury Department license; and
 - Prohibition of Defense Department contracts above \$100,000 with companies controlled by terrorist-list states.

Cuba

Cuba actively continued to oppose the U.S.-led Coalition prosecuting the global war on terror and has publicly condemned various U.S. policies and actions. To U.S. knowledge, Cuba did not attempt to track, block, or seize terrorist assets, although the authority to do so is contained in Cuba's Law 93 Against Acts of Terrorism, as well as Instruction 19 of the Superintendent of the Cuban Central Bank. No new counterterrorism laws were enacted, nor were any executive orders or regulations issued in this regard. To date, the Cuban Government has taken no action against al-Qaida or other terrorist groups.

Cuba did not undertake any counterterrorism efforts in international and regional fora. Official government statements and the government-controlled press rarely speak out against al-Qaida or other designated Foreign Terrorist Organizations.

Cuba invests heavily in biotechnology, and there is some dispute about the existence and extent of Cuba's offensive biological weapons program. The Cuban Government maintains friendly ties with Iran and North Korea. Cuban Foreign Minister Perez Roque visited Iran on November 13. Earlier in the year, Iran offered Cuba a 20 million euro line of credit, ostensibly for investment in biotechnology. The Cuba-Iran Joint Commission met in Havana in January. Cuba and North Korea held military talks at the general staff level in May in Pyongyang. The North Korean trade minister visited Havana in November and signed a protocol for cooperation in the areas of science and trade.

The Cuban Government continues to permit U.S. fugitives to live legally in Cuba, and is unlikely to satisfy U.S. extradition requests for terrorists harbored in the country. In previous years, the government responded to requests to extradite U.S. fugitives by stating that approval would be contingent upon the U.S. returning wanted Cuban criminals. U.S. fugitives range from convicted murderers, two of whom killed police officers, to numerous hijackers. Most of those fugitives entered Cuba in the 1970s.

The U.S. Government periodically requests the Government of Cuba to return wanted fugitives to the United States. Cuba continues to be non-responsive. On the other hand, the Cuban regime publicly demanded the return to Cuba of five of its agents convicted of espionage in the United States. The Cuban Government refers to these individuals as heroes in the fight against terrorism. The five are variously accused of being foreign intelligence agents and infiltrating U.S. military facilities. One is accused of conspiracy to murder for his role in the Cuban Air Force's shooting down of two small civilian planes. Cuba has stated that it will no longer provide safe haven to new U.S. fugitives who may enter Cuba.

Cuba did not extradite suspected terrorists during the year, but demanded that the United States surrender to Cuba Luis Posada Carriles, whom it accuses of plotting to kill Castro and bombing a Cubana Airlines plane in 1976, which resulted in more than 70 deaths. Posada Carriles remains in U.S. custody. Cuba has also asked the United States to return three Cuban-Americans implicated in the same cases.

The Government of Cuba maintains close relationships with other state sponsors of terrorism such as Iran and North Korea, and has provided safe haven to members of ETA, FARC, and the ELN. There is no information concerning terrorist activities of these or other organizations on Cuban territory. Press reports indicate that U.S. fugitives from justice and ETA members are living legally in Cuba. The United States is not aware of specific terrorist enclaves in the country.

Iran

Iran remained the most active state sponsor of terrorism. Its Islamic Revolutionary Guard Corps (IRGC) and Ministry of Intelligence and Security (MOIS) were directly involved in the planning and support of terrorist acts and continued to exhort a variety of groups, especially Palestinian groups with leadership cadres in Syria and Lebanese Hizballah, to use terrorism in pursuit of their goals. In addition, the IRGC was increasingly involved in supplying lethal assistance to Iraqi militant groups, which destabilizes Iraq.

Iran continues to be unwilling to bring to justice senior al-Qaida members it detained in 2003. Iran has refused to identify publicly these senior members in its custody on "security grounds." Iran has also resisted numerous calls to transfer custody of its al-Qaida detainees to their countries of origin or to third countries for interrogation and/or trial.

Iran maintained a high-profile role in encouraging anti-Israeli terrorist activity -- rhetorically, operationally, and financially. Supreme Leader Khamenei and President Ahmadi-Nejad praised Palestinian terrorist operations, and Iran provided Lebanese Hizballah and Palestinian terrorist groups -- notably HAMAS, Palestinian Islamic Jihad, the al-Aqsa Martyrs Brigades, and the Popular Front for the Liberation of Palestine-General Command -- with extensive funding, training, and weapons.

Iran pursued a variety of policies in Iraq, some of which appeared to be inconsistent with its stated objectives regarding stability in Iraq and with the objectives of the Iraqi Transitional Government and the Multi-national Forces in Iraq. Senior Iraqi officials have publicly expressed concern over Iranian interference in Iraq, and there were reports that Iran provided funding, safe passage, and arms to insurgent elements.

State sponsors of terrorism pose a grave WMD terrorism threat. A WMD program in a state sponsor of terrorism could enable a terrorist organization to acquire a sophisticated WMD. State sponsors of terrorism and nations that fail to live up to their international obligations deserve special attention as potential facilitators of WMD terrorism. Iran presents a particular concern, given its active sponsorship of terrorism and its continued development of a nuclear program. Iran is also capable of producing biological and chemical agents or weapons. Like other state sponsors of terrorism with WMD programs, Iran could support terrorist organizations seeking to acquire WMD.

Libya

Libya continued to cooperate with the United States and the international community in the fight against terrorism. Specifically, Libya began working more closely with the United Kingdom to curtail terrorism-related activities of the Libyan Islamic Fighting Group (LIFG). In addition, Libya extradited to Egypt a member of the terror cell responsible for a bombing that claimed the lives of three tourists in a Cairo bazaar.

Despite its increasing level of cooperation, Libya remained on the state sponsors of terrorism list and was subject to corresponding sanctions. The United States continued to evaluate Libya's assurances to halt the use of violence for political purposes in light of allegations that Libyan officials attempted to facilitate the assassination of then-Saudi Crown Prince Abdullah in 2003. In August 2004, Aburahman Alamoudi pled guilty to one count of unlicensed travel to and commerce with Libya, and as reported in the 2004 Country Reports on Terror, stated that he had been part of a 2003 plot to assassinate the Crown Prince at the behest of Libya officials. In October 2004, Alamoudi was sentenced by a U.S. federal judge to the maximum of 23 years in prison for his dealings with Libya. In August, Saudi King Abdullah pardoned five Libyans held in Saudi Arabia in connection with the plot.

On October 18, Libya and the United Kingdom signed an agreement allowing the United Kingdom to repatriate Libyan nationals suspected of engaging in or facilitating terrorist activities. The agreement was contingent on Libya's provision of written guarantees that the deportees would not be maltreated.

During a September meeting with Secretary Rice, the Libyan Secretary of the General People's Committee for Foreign Liaison and International Cooperation, Abd Al-Rahman Shalgam, renounced terrorism in all its forms and reiterated Libya's 2003 pledge that it would not support international terrorism or other acts of violence targeting civilians. Shalgam also pledged to cooperate in good faith with any requests for information related to the 1988 bombing of Pan Am 103 over Lockerbie, Scotland.

In December 2004, the United States designated the Libyan Islamic Fighting Group (LIFG) as a Foreign Terrorist Organization. In addition to playing a role in the international jihadist movement, the LIFG is dedicated to the overthrow of the Qadhafi regime. The Government of Libya continued to cooperate with the United States and the international community to curtail support for the LIFG.

Libya continued to cooperate with the international community to help ensure that its territory is not used as a safe haven for international terrorists. In May, Libya extradited to Egypt Mohammed Yousri Yassi, a member of the terrorist cell that perpetrated the April 7 and April 30 attacks on tourists in Cairo. The April 7 attack resulted in the death of three tourists. Libya also extradited the Egyptian who had provided shelter to Yassin.

North Korea

The Democratic People's Republic of Korea (DPRK) is not known to have sponsored any terrorist acts since the bombing of a Korean Airlines flight in 1987.

Pyongyang in 2003 allowed the return to Japan of five surviving abductees, and in 2004 of eight family members, mostly children, of those abductees. Questions about the fate of other abductees remain the subject of ongoing negotiations between Japan and the DPRK. In November, the DPRK returned to Japan what it identified as the remains of two Japanese abductees, whom the North had reported as having died in North Korea. The issue remained contentious at year's end. There are also credible reports that other nationals were abducted from locations abroad. The ROK government estimates that approximately 485 civilians were abducted or detained since the 1950-53 Korean War. Four Japanese Red Army members remain in the DPRK following their involvement in a jet hijacking in 1970; five of their family members returned to Japan in 2004.

Sudan

Sudan continued its cooperative commitment against known and suspected international terrorist elements believed to be operating in and out of Sudanese territory. The government undertook actions against security threats posed by persons either suspected of using Sudan as a base of operation and/or persons of Sudanese origin purported to be associated with terrorist organizations. Sudan produced desired results against international terrorist elements and the facilitators that support them.

Sudan cooperated with the international community and demonstrated support in regional and global organizations calling for stronger condemnation of terrorism; this was reflected in the country's antiterrorism initiatives. Sudan's history of having played host in the mid-1990s to al-Qaida leader Usama bin Ladin continues to weigh heavily in the objective assessment of Sudan's role in international terrorism, but there is no indication that al-Qaida elements have had a presence in Sudan with the knowledge and consent of the Sudanese Government for at least the past five years.

While there remains significant concern in the international community over Sudan's handling of internal rebel movements, specifically in western Sudan, there is no current data indicating that international terrorists operate in Darfur. The flow of weapons and personnel between Sudan and most of its western, southern, and eastern neighbors, however, has weakened international efforts to stabilize the region. Many of Sudan's borders, particularly those along the Red Sea coast, remain porous and easily penetrable. This fact very likely allowed subversive elements and smuggled humans to enter Sudan without knowledge of any government security units and compounds problems in securing the region.

The Lord's Resistance Army (LRA) led by Joseph Kony, a Ugandan, continued to be a major terrorist threat to Uganda, the Democratic Republic of Congo, and southern Sudan. Although Sudan publicly offered to help mediate peace between the LRA and neighboring countries, and vowed to stamp out LRA members in Sudan, little tangible progress was evident.

Continued focus was placed on Sudan for its role in contributing fighters for the Iraqi insurgency. Sudanese and foreign nationals who transited Sudan have been captured as foreign fighters in Iraq. The Sudanese have taken steps, through self-initiation and encouragement by the United States and other international actors, to disrupt jihadists both traveling to and returning from Iraq; however, significant gaps in knowledge and capability to identify and capture such individuals remain.

The Sudanese Government has increased its participation in international events aimed at defining and preventing terrorism, and has pledged to strengthen its laws to better combat acts of terror. In February, representatives from Khartoum attended an international counterterrorism conference hosted by Saudi Arabia at which Sudan expressed its full cooperation with international efforts to combat terrorism. Furthermore, Sudan hosted a similar conference in September for regional partners interested in developing improved means of addressing terrorism issues in East Africa. Overall in 2005, Sudan continued its progress in cooperation to combat terrorism locally and internationally, with some areas of concern remaining.

Syria

The Syrian Government continued to provide political and material support to both Hizballah and Palestinian terrorist groups. HAMAS, Palestinian Islamic Jihad (PIJ), the Popular Front for the Liberation of Palestine (PLFP), and the Popular Front for the Liberation of Palestine-General Command (PFLP-GC), among others, base their external leadership in Damascus. The Syrian Government insists that the Damascus-based groups undertake only political and informational activities. However, in statements originating from outside Syria, many Palestinian groups claimed responsibility for anti-Israeli terrorist acts. Syria's public support for the groups varied, depending on its national interests and international pressure. In 2003, these groups lowered their public profile after Damascus announced that they had voluntarily closed their offices in Syria. In September, however, Syrian President Bashar al-Asad held a highly publicized meeting with rejectionist leaders, and a month later the rejectionist leaders participated in a meeting in Damascus with the Speaker of the Iranian Parliament, Gholam Ali Haddad Adel. Syria continued to permit Iran to use Damascus as a transshipment point to resupply Hizballah in Lebanon.

Syrian officials publicly condemned international terrorism, but made a distinction between terrorism and what they considered to be "legitimate armed resistance" by Palestinians in the Occupied Territories and by Lebanese Hizballah. The Syrian Government has not been implicated directly in an act of terrorism since 1986, although preliminary findings of a UN investigation into the February assassination of former Lebanese Prime Minister Rafik Hariri have indicated a strong likelihood of official Syrian involvement.

During the past seven years there have been no acts of terrorism against American citizens in Syria. Damascus has repeatedly assured the United States that it will take every possible measure to protect U.S. citizens and facilities in Syria.

In the past, Damascus cooperated with the United States and other foreign governments against al-Qaida and other terrorist organizations and individuals. In May, however, the Syrian Government ended intelligence cooperation, citing continued U.S. public complaints about the inadequate level of Syria's assistance to end the flow of fighters and money to Iraq.

Syria made efforts to limit the movement of foreign fighters into Iraq. It upgraded physical security conditions on the border and announced that it has begun to give closer scrutiny to military-age Arab males entering Syria (visas are still not required for citizens of Arab countries). The government claimed that since 2003 it has repatriated more than 1,200 foreign extremists and arrested more than 4,000 Syrians trying to go to Iraq to fight.

In the last six months of 2005, Damascus highlighted clashes on Syrian territory with terrorist groups, particularly with the Jund a-Sham group associated with Abu Musab al-Zarqawi, in its government-controlled press information.