

TERRORIST ASSETS REPORT
Calendar Year 2002
Annual Report to the Congress
on
Assets in the United States
of Terrorist Countries
and International Terrorism Program Designees

INTRODUCTION

The U.S. Government has used economic sanctions as a tool against international terrorist organizations since 1995, marking a significant departure from the traditional use of sanctions against hostile countries or regimes. Following the events of September 11, 2001, President Bush issued Executive Order 13224, significantly expanding the scope of U.S. sanctions against international terrorists and terrorist organizations. The combination of innovative programs targeting international terrorist organizations with those targeting terrorist-supporting governments represents a wide-ranging assault on international terrorism, its supporters and financiers.

The lead agency for the blocking of assets of terrorism-supporting countries and international terrorist organizations is the Office of Foreign Assets Control (OFAC), located under the Office of the Under Secretary (Enforcement) of the U.S. Department of the Treasury. Since 1995, OFAC has implemented three sanctions programs targeting international terrorists and terrorist organizations. OFAC also administers seven sanctions programs targeting terrorism-supporting governments and regimes. In addition to these ongoing sanctions enforcement and asset blocking activities, OFAC's capabilities have been enhanced by the USA PATRIOT Act, which clarifies OFAC's authority to block assets in aid of an investigation, and protects classified information included in the administrative record supporting a designation from disclosure during litigation.

Implementation of programs targeting international terrorist organizations has resulted in the blocking of more than \$6 million in assets in which there exists an interest of an international terrorist organization or other related designated party.¹ More than \$4 billion in assets of the seven designated state sponsors of terrorism are located within U.S. jurisdiction.² Of that amount, more than \$3.8 billion are blocked by the U.S. Department of the Treasury pursuant to economic sanctions imposed by the United States against six of the terrorist countries. Unless otherwise noted, this report provides data for the calendar year ending December 31, 2002.

¹ This figure does not include amounts under review or investigation.

² In addition to "assets held in the United States by terrorist countries," this figure includes (1) obligations of U.S. banks' large foreign branches and subsidiaries to terrorist countries and (2) bank liabilities to, and investments in U.S.-issued securities by, non-governmental entities and individuals located in Syria and Iran.

BACKGROUND

Section 304 of Public Law 102-138, as amended by Public Law 103-236 (22 U.S.C. § 2656g), requires the Secretary of the Treasury, in consultation with the Attorney General and appropriate investigative agencies, to provide an annual report to the Congress concerning the nature and extent of assets held in the United States by terrorist countries and organizations engaged in international terrorism. The Department of the Treasury submitted its first Terrorist Assets Report to the Congress in April 1993. The current report, covering calendar year 2002, is the eleventh successive Terrorist Assets Report.

The Terrorist Assets Report is submitted to the Committee on Foreign Relations and the Committee on Finance in the Senate and to the Committee on International Relations and the Committee on Ways and Means in the House. It was prepared by OFAC, which is responsible for administering and enforcing economic sanctions programs mandated either by the President pursuant to his declaration of a national emergency with respect to particular foreign governments or non-state parties or by specific Act of Congress. Approximately ninety-one percent of the identified U.S.-based assets of state sponsors of terrorism, and all blocked assets in which there exists an interest of an international terrorist organization or other related designated party, are under OFAC's sanctions controls.

More than seventeen Federal agencies and offices were polled in developing the report. They included:

Department of State	Joint Chiefs of Staff
Department of Justice	U.S. Customs Service
Federal Bureau of Investigation	Internal Revenue Service
U.S. Secret Service	Department of Defense
Intelligence Community	Office of Foreign Assets Control
Drug Enforcement Administration	National Drug Intelligence Center
Treasury's Office of International Affairs	
Bureau of Alcohol, Tobacco and Firearms	
Treasury's Financial Crimes Enforcement Network	
Treasury's Office of General Counsel	
Board of Governors of the Federal Reserve System	

It should be noted that, with the exception of Syria and Iran, the totals for all programs represent amounts frozen under United States sanctions programs which, in most cases, block all property in which the target (including entities owned or controlled

by it and persons acting for or on behalf of it) is believed to have any interest of any nature whatsoever, direct or indirect. In many instances the interest may be partial, or may fall short of title to the property. Determinations concerning these interests are made based on all relevant information before OFAC. Many of the assets are also the subjects of other claims, sometimes by multiple parties.

OFAC regulations generally prohibit any form of judicial attachment or lien on blocked property; however, the Terrorism Risk Insurance Act of 2002 (the TRIA), Public Law No. 107-297, includes a provision making blocked assets of a terrorist party available to satisfy judgments based on acts of terrorism or claims allowed against states by 28 U.S.C. 1605 (a)(7) (certain claims for personal injury or death).³

PART I -- ASSETS OF INTERNATIONAL TERRORIST ORGANIZATIONS

For purposes of this report, Treasury has relied on three counterterrorism programs administered by OFAC to establish a baseline for determining which groups may fall within the phrase "organization engaged in international terrorism."

Executive Order 13224 (SDGTs)

On September 23, 2001, President Bush declared a national emergency pursuant to the International Emergency Economic Powers Act, 50 U.S.C. §§ 1701-1706 ("IEEPA"), and other authorities in Executive Order 13224 (EO 13224) (Tab 1), "Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism." EO 13224 was issued in response to the grave acts of terrorism and threats of terrorism committed by foreign terrorists, including the terrorist acts committed on September 11, 2001 in New York and Pennsylvania and against the Pentagon, and the continuing and immediate threat of future attacks on U.S. nationals and the United States. The terrorist acts of September 11, 2001, were also recognized and condemned in United Nations Security Council Resolutions 1368, 1373 and 1390 of September 12, 2001, September 28, 2001 and January 28, 2002,

³ Section 201(a) of the TRIA provides that,

(a) IN GENERAL-Notwithstanding any other provision of law, and except as provided in subsection (b), in every case in which a person has obtained a judgment against a terrorist party on a claim based upon an act of terrorism, or for which a terrorist party is not immune under section 1605 (a)(7) of Title 28, United States Code, the blocked assets of that terrorist party (including the blocked assets of any agency or instrumentality of that terrorist party) shall be subject to execution or attachment in aid of execution in order to satisfy such judgment to the extent of any compensatory damages for which such terrorist party has been adjudged liable.

respectively. EO 13224 imposes economic sanctions on persons who commit, threaten to commit, or support certain acts of terrorism. It prohibits transfers, including donations of funds, goods, or services to any organizations or individuals designated under its authority, and it blocks all property in the United States or within the possession or control of a U.S. person in which there is an interest of any designated person.

President Bush identified, in the Annex to EO 13224, 12 individuals and 15 entities whose assets are blocked (Tab 1). The Taliban and its leader were added to the Annex pursuant to Executive Order 13268 (EO 13268)(Tab 10). Additional individuals and entities have subsequently been designated by the Secretary of State and the Secretary of the Treasury. The Secretary of State, in consultation with the Secretary of the Treasury and the Attorney General, has identified 45 foreign individuals and entities who, pursuant to subsection 1(b) of EO 13224, have been determined to have committed, or to pose a significant risk of committing, acts of terrorism that threaten the security of U.S. nationals or the national security, foreign policy or economy of the United States. The Secretary of the Treasury, in consultation with the Secretary of State and the Attorney General, has designated 177 individuals and entities who, pursuant to subsections 1(c) and 1(d) of EO 13224, have been determined to be owned or controlled by, or to act for or on behalf of, persons listed in the Annex to EO 13224 or designated pursuant to subsections 1(b), 1(c) or 1(d)(i) of EO 13224; to assist in, sponsor, or provide financial or other support for, or financial or other services to or in support of, acts of terrorism or persons listed in the Annex or designated pursuant to EO 13224; or to be otherwise associated with persons listed in the Annex or designated pursuant to EO 13224. A total of 251 individuals and entities have been identified or designated as "Specially Designated Global Terrorists" or "SDGTs" (Tab 2).

Executive Orders 12947 and 13099 (SDTs)

On January 23, 1995, President Clinton declared a national emergency pursuant to IEEPA (50 U.S.C. § 1701 *et seq.*) and other authorities in Executive Order 12947, "Prohibiting Transactions With Terrorists Who Threaten To Disrupt the Middle East Peace Process" (Tab 3). EO 12947 prohibits transfers, including donations of funds, goods, or services to any organizations or individuals designated under its authority, and it blocks all property in the United States or within the possession or control of a U.S. person in which there is an interest of any designated terrorist. Twelve Middle East terrorist organizations were named in the Annex to the Order.⁴ EO 12947 also applies to persons determined by the Secretary of the Treasury, in consultation with the Secretary of State and the Attorney General, to be owned or controlled by, or to act for or on behalf of, any person designated under EO 12947. Finally, EO 12947 blocks the property and interests in property of persons found by the Secretary of State, in coordination with the Secretary of the Treasury and the Attorney General, (1) to have committed, or to pose a significant risk of committing, acts of violence that have the

⁴ **Tab 3** -- Executive Order 12947. The terrorist organizations identified in the Annex as originally published are: (1) Abu Nidal Organization (ANO), (2) Democratic Front for the Liberation of Palestine (DFLP), (3) Hizballah, (4) Islamic Gama'at (IG), (5) Islamic Resistance Movement (HAMAS), (6) Jihad, (7) Kach, (8) Kahane Chai, (9) Palestinian Islamic Jihad -- Shiqaqi faction (PIJ), (10) Palestine Liberation Front -- Abu Abbas faction (PLF-Abu Abbas), (11) Popular Front for the Liberation of Palestine (PFLP), and (12) Popular Front for the Liberation of Palestine -- General Command (PFLP-GC).

purpose or effect of disrupting the Middle East Peace Process, or (2) to be assisting in, sponsoring or providing financial, material, or technological support for, or services in support of, terrorist activities. Collectively, these persons are known as "Specially Designated Terrorists" or "SDTs" (Tab 4).⁵

On August 20, 1998, President Clinton issued Executive Order 13099, "Prohibiting Transactions With Terrorists Who Threaten To Disrupt the Middle East Peace Process" (Tab 5) to amend Executive Order 12947 by adding three individuals and one organization to the Annex of EO 12947:

Usama bin Muhammad bin Awad bin Ladin
Islamic Army (a.k.a. Al-Qaida)
Abu Hafs al-Masri
Rifa'i Ahmad Taha Musa

(See Tab 6.) Executive Order 13099 was issued under the same authority as Executive Order 12947.

Antiterrorism Act of 1996 (FTOs)

On April 24, 1996, Congress passed the Antiterrorism and Effective Death Penalty Act of 1996, Pub. L. 104-132, 110 Stat. 1247-1258 (the Antiterrorism Act of 1996) (Tab 7). Section 302 of the Antiterrorism Act (8 U.S.C. § 1189) authorizes the Secretary of State, in consultation with the Departments of the Treasury and Justice, to designate organizations meeting stated criteria as foreign terrorist organizations, with prior notification to the Congress of the Secretary's intent to designate. Section 303 of the Act (18 U.S.C. § 2339B) makes it a crime for persons within the U.S. or subject to U.S. jurisdiction to knowingly provide material support or resources to a foreign terrorist organization designated under section 302. Additionally, except as authorized by the Treasury Department, U.S. financial institutions in possession or control of funds in which a foreign terrorist organization or its agent has an interest are required to block such funds and report on the funds to the Treasury Department.

Pursuant to the Antiterrorism Act of 1996, on October 5, 2001, the Secretary of State, in consultation with the Secretary of the Treasury and the Attorney General, re-designated 25 organizations as Foreign Terrorist Organizations ("FTOs") (Tab 8). The

⁵ **Tab 4** -- 60 *Federal Register* 5084, January 25, 1995. This *Federal Register* Notice of the Specially Designated Terrorists List included the 12 organizations named in Executive Order 12947, 31 pseudonyms and name variations for the groups, and 18 key individuals, including nine aliases. The designation of Mohammad Abd El-Hamid Khalil SALAH as a Specially Designated Terrorist was published in the *Federal Register* on August 11, 1995 (60 *Federal Register* 41152) (Tab 4). The designation of Mousa Mohammed ABU MARZOOK as a Specially Designated Terrorist was published in the *Federal Register* on August 29, 1995 (60 *Federal Register* 44932) (Tab 4). The designation of Dr. Ramadan Abdullah SHALLAH as a Specially Designated Terrorist was published in the *Federal Register* on November 27, 1995 (60 *Federal Register* 58435) (Tab 4). The designations of the Holy Land Foundation for Relief and Development, Al-Aqsa Islamic Bank, and Beit el-Mal Holdings were published in the *Federal Register* on March 19, 2002 (67 *Federal Register* 12644), and that of the Al-Aqsa Martyrs Brigade in the *Federal Register* on March 27, 2002 (67 *Federal Register* 14761)(Tab 4).

Secretary of State designated a total of ten additional organizations as FTOs on September 25, 2000 (redesignated September 25, 2002), May 16, 2001, September 10, 2001, December 26, 2001, March 27, 2002, August 9, 2002, and October 23, 2002. (Tab 8). The 35 FTOs include 12 of the 13 Middle East terrorist organizations previously designated under Executive Orders 12947 and 13099 and 23 other foreign organizations located in South America, Europe, and Asia.

Summary of Blocked Assets

Currently, assets blocked by OFAC under terrorism EOs 12947, 13099, and 13224 total \$6,270,521. Total amounts blocked have been and will continue to be subject to change for a number of reasons. Taliban assets are now blocked pursuant to EO 13224, and are accounted for in this section of the report rather than separately as in previous reports. Accounts of agents acting on behalf of the terrorist organization HAMAS that had been blocked by OFAC were seized in 1998 by the Department of Justice. The disposition of the seized assets is subject to proceedings still pending in the United States District Court for the Northern District of Illinois. In addition, OFAC is investigating two real estate properties valued at \$260,000 that were sold in 1998 in apparent violation of OFAC regulations. The values of these assets are not included in the total below. Further, the TRIA contemplates the future release of blocked assets to fund judgments for compensatory damages.⁶ Finally, fluctuation has occurred in the value of blocked assets due to the authorized withdrawal of blocked funds for the costs of legal defense, and in some cases basic maintenance expenses, by U.S. citizens and juridical persons designated as SDGTs or whose assets have been blocked in aid of investigation.⁷

The following chart (Exhibit A) details the assets in which international terrorist organizations and related designated parties have an interest and that have been blocked pursuant to Executive Orders 13224, 12947 and 13099 and the Antiterrorism Act.

⁶ See footnote number 3.

⁷ The power to block assets in aid of investigation, an existing authority that was clarified by the USA PATRIOT Act, was exercised in several instances with respect to terrorist groups targeted pursuant to EO 13224.

Exhibit A

Blocked Assets under the SDGT, SDT and FTO⁸ Programs

ORGANIZATION/RELATED DESIGNEES	AMOUNT
AL QAIDA	\$ 698,343
HAMAS	\$ 5,545,889
PALESTINIAN ISLAMIC JIHAD	\$ 17,746
KAHANE CHAI	\$ 201
TALIBAN	\$ 8,342
<i>Total assets of SDGTs, SDTs, and FTOs</i>	\$ 6,270,521

PART II — ASSETS OF THE TALIBAN

Executive Order 13129 (EO13129) (Tab 9), effective July 6, 1999, imposed trade sanctions and blocked property and interests in property of the Taliban and specified related persons, if those assets were in the United States, came within the United States, or were within the possession or control of U.S. persons. EO 13129 was issued in response to the use of territory under the control of the Taliban by terrorist Usama bin Ladin and a foreign terrorist organization, al Qa'ida, as a safe-haven and base of operations. On July 2, 2002, the President issued EO 13268 (Tab 10) terminating the emergency with respect to the Taliban due to the military campaign in Afghanistan which ended the Taliban's territorial control. The Taliban and its leader, Mohammed Omar, were added in EO 13268 to the Annex to EO 13224; accordingly, remaining blocked assets of the Taliban and its leader have been incorporated into the section of this report dealing with SDGTs.⁹

PART III -- ASSETS OF STATE SPONSORS OF TERRORISM¹⁰

"Terrorist countries" for purposes of this report are the state sponsors of terrorism designated by the Secretary of State under Section 40(d) of the Arms Export Control Act, 22 U.S.C. § 2780(d). States currently designated as sponsors of terrorism are: Cuba, Iran, Iraq, Libya, North Korea, Sudan, and Syria. Blocking programs are, however, only in effect for the first six countries. Assets of the Government of Syria are not blocked, and there has been no new blocking of the assets of the Government of Iran since January 1981, or of the assets of North Korea since June 2000. The existing freezing of assets, financial prohibitions, trade embargoes, and other restrictions are

⁸ To date, no financial transactions have been blocked pursuant to the Antiterrorism Act. All blockings of foreign terrorist assets to date have occurred in the SDGT and SDT programs under the authority of IEEPA and Executive Orders 13224, 12947 and 13099. The Treasury Department continues to work closely with other agencies in seeking information concerning possible assets within the jurisdiction of the United States in which there may be an interest of any of the 35 FTOs.

⁹ Approximately \$261.5 million in Afghan assets were unblocked and turned over to the Afghan Interim Authority between February and April, 2002 as the Authority established control over Afghanistan following the U.S. military campaign.

¹⁰ See footnote number 2.

administered under the authority of the Trading with the Enemy Act, 50 U.S.C. App. 1-44, (Cuba and North Korea); IEEPA (Iran, Iraq, Libya, and Sudan); the United Nations Participation Act, 22 U.S.C. § 287c (Iraq, Libya); the International Security and Development Cooperation Act, 22 U.S.C. §§ 2349aa-8 & -9 (Iran, Libya); and Title III of the Antiterrorism and Effective Death Penalty Act of 1996, Pub. L. 104-132, 110 Stat. 1247-1258 (Cuba, Iran, Iraq, Libya, North Korea, Sudan, and Syria). Section 321 of the Antiterrorism Act of 1996 (18 U.S.C. § 2332d) makes it a criminal offense for United States persons, except as provided in regulations issued by the Secretary of the Treasury in consultation with the Secretary of State, to engage in financial transactions with the governments of countries designated under section 6(j) of the Export Administration Act (50 U.S.C. App. 2405) as supporting international terrorism. The countries listed under the section 6(j) list are the same as those listed under the section 40(d) list.

The following information describes the nature and extent of assets held in the United States or in offshore branches or subsidiaries of U.S. banks¹¹ (see below) that are blocked under sanctions programs against countries designated as state sponsors of terrorism, as well as known nonblocked assets of individuals and public and private entities in the cases of Iran and Syria. These countries and the gross amounts of reported U.S.-based assets attributed to them are (in millions): Cuba¹² - \$146.5; Iran - \$237.5; Iraq - \$1730; Libya - \$1221.4; North Korea - \$31.1; Sudan - \$27.4; and Syria - \$133 a total of \$3.5269 billion dollars.

The nonblocked assets of Syria and Iran are not subject to reporting requirements under current U.S. sanctions against those countries. The blocked Iranian Government assets shown in Exhibit B (\$23.2 million) are principally diplomatic properties remaining blocked since the 1979-81 hostage crisis. A variety of other

¹¹ See footnote number 2.

¹² Section 2002 of the Victims of Trafficking and Violence Protection Act of 2000, Public Law No. 106-386 (the "Act") directs the Secretary of the Treasury to make payments to persons who hold certain categories of judgments against Cuba or Iran brought under 28 U.S.C. § 1605(a)(7). The Act specifies that funds available for payment to these persons come from the following sources:

- (a) For purposes of funding payments in connection with judgments and sanctions against Cuba, the Act provides that the President shall vest and liquidate up to and not exceeding the amount of property of the Government of Cuba and sanctioned entities in the United States that is blocked pursuant to section 5(b) of the Trading with the Enemy Act (50 U.S.C. App. 5(b)), sections 202 and 203 of the International Emergency Economic Powers Act (50 U.S.C. § 1701 *et seq.*), or any other proclamation, order, or regulation issued thereunder. Further, for paying amounts of judicial sanctions against Cuban entities related to litigation brought by certain victims, the Act provides that payment of these sanctions shall be made from funds or accounts of such entities subject to these sanctions.
- (b) For funding payments in connection with judgments against Iran, the Act directs the Secretary of the Treasury to make payments in an amount not to exceed the total of the amount in the Iran sub-account of the Foreign Military Sales Program account within the Foreign Military Sales Fund on the date of enactment of the Act.
- (c) For purposes of funding payments in connection with judgments against Iran, the Act provides that the Department of the Treasury shall make payments from amounts paid and liquidated from rental proceeds accrued on the date of the enactment of the Act from Iranian diplomatic and consular property located in the United States.

obligations to the Government of Iran may ultimately be determined to exist, depending on the outcome of cases before the Iran-U.S. Claims Tribunal in The Hague.

As reflected in Exhibit B, the majority of the amount of nonblocked Iranian assets shown and the totality of Syrian assets shown reflect data from the Treasury Department's reporting systems on U.S. international capital movements and portfolio investment. These systems are designed primarily to collect information concerning the U.S. balance of payments and international investment positions. The information provided to Treasury via these reporting systems, together with the Federal Reserve System's data on assets and liabilities of U.S. banks' large foreign offices, represent comprehensive U.S. surveys of bank liabilities and portfolio investment gathered on foreign countries. There are statutory restrictions on the use of the data, to preserve the anonymity of reporters and asset holders. Some of the data are based on a March 31, 2000 investment survey, and data on nonblocked assets held in large offshore branches and subsidiaries of U.S. banks have been included from quarterly reports to the Federal Reserve System.

Approximately ninety-three percent of the assets of state sponsors of terrorism within U.S. jurisdiction¹³ are blocked by the Department of the Treasury. However, not all of the blocked assets are literally held in the United States. Substantial amounts, identified further below, are in foreign branches and subsidiaries of U.S. banks. They are blocked because, under U.S. law, those bank branches (and, in certain cases involving Cuba and North Korea, subsidiaries) are subject to United States jurisdiction. Consequently, those assets are not blocked at institutions within the United States, and may be subject to conflicting legal requirements of the host government.

Changes in the value, location, and composition of the blocked assets identified below occur over time as OFAC receives reports from holders of blocked assets identifying additional assets of sanctioned countries, updates information received from holders of blocked accounts on accrued interest and fluctuating market values, or licenses various transactions in accordance with U.S. foreign policy objectives and applicable law.

¹³ See footnote number 2.

Exhibit B

Assets of State Sponsors of Terrorism¹⁴
(Amounts in millions of U.S. dollars)

Country	Amount	Explanation
CUBA	\$146.5	Blocked Cuban assets. Does not include blocked assets of individual Cuban nationals. Primarily bank accounts. Source: OFAC, Treasury.
	(\$0.0)	(Blocked in U.S. banks' foreign branches or subsidiaries.)
	\$146.5	<i>Net Blocked Cuban Assets in U.S.</i>
IRAN	\$ 23.2	Government of Iran's properties remaining blocked since the 1979-81 hostage crisis. Primarily diplomatic real estate. Source: OFAC, Treasury. (See discussion in Part III above.)
	\$107.3	Total liabilities to Iranian individuals and entities reported by banks in the U.S., by non-banking institutions in the U.S., and by large offshore branches and subsidiaries of U.S. banks. Sources: Treasury International Capital Reporting System (as of September 30, 2002), Federal Reserve System (as of September 30, 2002), and OFAC, Treasury (as of January, 2003).
	\$ 66.0 ¹⁵	Total U.S. long-term securities held domestically and offshore by Iranian individuals and entities. Source: Treasury's Survey of Foreign Portfolio Investment in the U.S. (as of March 31, 2000).

¹⁴ See footnote number 2.

¹⁵ The value may have changed significantly since March 2000. (See discussion in Part III.)

	\$ 41.0	Net Iranian purchases of U.S. long-term securities, April 1, 2000 – September 30, 2002. Source: Treasury International Capital Reporting System.
	\$237.5	<i>Net Iranian Assets</i>
IRAQ	\$2437.2	Iraqi blocked assets. Primarily bank deposits. Source: OFAC, Treasury.
	(\$ 533.9)	(Blocked in U.S. banks' foreign branches.)
	(\$ 173.3)	(Loan to the United Nations in compliance with UNSCR 778.)
	\$1730.0	<i>Net Blocked Iraqi Assets in U.S.</i>
LIBYA	\$1226.8	Libyan blocked assets. Third-party interests exist in a substantial portion of these assets. Primarily bank deposits. Source: OFAC, Treasury.
	(\$5.4)	(Blocked in U.S. banks' foreign branches.)
	\$1221.4	<i>Net Blocked Libyan Assets in U.S.</i>
NORTH KOREA	\$31.4	North Korean blocked bank deposits. Primarily third-party assets in which North Korea has some interest. Source: OFAC, Treasury.
	(\$ 0.3)	(Blocked in U.S. banks' foreign branches or subsidiaries.)
	\$31.1	<i>Net Blocked North Korean Assets in U.S.</i>
SUDAN	\$27.5	Sudanese blocked bank deposits. Source: OFAC, Treasury.
	(\$0.1)	(Blocked in U.S. banks' foreign branches.)
	\$27.4	<i>Net Blocked Sudanese Assets in U.S.</i>

SYRIA	\$ 86.0	Total liabilities to Syrian individuals and entities reported by banks in the U.S., by non-banking institutions in the U.S., and by large offshore branches and subsidiaries of U.S. banks. Sources: Treasury International Capital Reporting System (as of September 30, 2002) and the Federal Reserve System (as of September 30, 2002).
	\$ 43.0¹⁶	Total U.S. long-term securities held domestically and offshore by Syrian individuals and entities. Source: Treasury Survey of Foreign Portfolio Investment in the U.S. as of March 31, 2000.
	\$ 4.0	Net Syrian purchases of U.S. long-term securities, April 1, 2000 – September 30, 2002. Source: Treasury International Capital Reporting System.
	\$133.0	<i>Net Syrian Assets</i>
TOTALS:	\$4239.9	Total terrorist country assets within U.S. jurisdiction.¹⁷
	(\$347.3)	(Nonblocked assets of Syrian and Iranian individuals and entities.)
	<u>\$3892.6</u>	Total blocked terrorist country assets within U.S. jurisdiction.
	(\$539.7)	(Total blocked in U.S. banks' foreign branches.)
	(\$173.3)	(UNSCR 778 loan [Iraq].)
	<u>\$3179.6</u>	<i>Total blocked terrorist country assets within the United States.</i>

¹⁶ The value may have changed significantly since March 2000. (See discussion in Part III.)

¹⁷ See footnote number 2.

List of Exhibits & Attachments

Exhibits

- Exhibit A. Chart of "Blocked Assets under the SDGT, SDT, and FTO Programs" (included at page 7 of this report).
- Exhibit B. Chart of "Assets of State Sponsors of Terrorism" (included at pages 10-12 of this report).

Attachments

- Tab 1. Executive Order 13224 -- "Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten To Commit, or Support Terrorism," September 23, 2001. (66 *Federal Register* 49079, September 25, 2001.)
- Tab 2. "Terrorism: What You Need To Know About U.S. Sanctions," December 3, 2002 (U.S. Department of the Treasury, OFAC).
- Tab 3. Executive Order 12947 -- "Prohibiting Transactions With Terrorists Who Threaten To Disrupt the Middle East Peace Process," January 23, 1995. (60 *Federal Register* 5079, January 25, 1995.)
- Tab 4. Department of the Treasury, Office of Foreign Assets Control, "List of Specially Designated Terrorists Who Threaten To Disrupt the Middle East Peace Process," 60 *Federal Register* 5084, January 25, 1995; Notices adding SDT names: 60 *Federal Register* 41152, August 11, 1995; 60 *Federal Register* 44932, August 29, 1995; 60 *Federal Register* 58435, November 27, 1995; 67 *Federal Register* 12644, March 19, 2002; 67 *Federal Register* 14761, March 27, 2002.
- Tab 5. Executive Order 13099 — "Prohibiting Transactions With Terrorists Who Threaten To Disrupt the Middle East Peace Process," August 20, 1998. (63 *Federal Register* 45167, August 25, 1998.)
- Tab 6. Notice adding SDT names: 64 *Federal Register* 35575, July 1, 1999.
- Tab 7. Antiterrorism and Effective Death Penalty Act of 1996 (Pub. L. 104-132, 110 Stat. 1214-1319), §§ 301-303 & 321-330.
- Tab 8. Department of State, Office of the Coordinator for Counter-Terrorism, "Redesignation of Foreign Terrorist Organizations." (66 *Federal Register* 51088, October 5, 2001); Notices adding FTO names: 65 *Federal Register* 57641, September 25, 2000; 66 *Federal Register* 27442, May 16, 2001; 66 *Federal Register* 47054, September 10, 2001; 66 *Federal Register* 66492, December 26, 2001; 67 *Federal Register* 14761, March 27, 2002; 67 *Federal Register* 51921, August 9, 2002; 67 *Federal Register* 60278, September 25, 2002 (redesignation); 67 *Federal Register* 65168, October 23, 2002.

- Tab 9. Executive Order 13129 — "Blocking Property and Prohibiting Transactions With the Taliban," July 4, 1999. (64 *Federal Register* 36759, July 7, 1999.)
- Tab 10. Executive Order 13268 – "Termination of Emergency With Respect to the Taliban and Amendment of Executive Order 13224 of September 23, 2001," July 2, 2002. (67 *Federal Register* 44751, July 3, 2002.)