

SECOND REPORT ON THE OPERATION OF THE TERRORIST ASSET-FREEZING ETC. ACT 2010

(REVIEW PERIOD: YEAR TO 16 SEPTEMBER 2012)

**BY
DAVID ANDERSON Q.C.**

Independent Reviewer of Terrorism Legislation

DECEMBER 2012

Presented to Parliament
pursuant to
Section 31 of the
Terrorist Asset-Freezing etc. Act 2010

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1. INTRODUCTION

TAFA 2010

- 1.1. Part 1 of the Terrorist Asset-Freezing etc. Act 2010 **[TAFA 2010]** implements the obligations of the United Kingdom under UN Security Council Resolution **[UNSCR]** 1373. It gives the Treasury power to freeze the assets of individuals and groups thought to be involved in terrorism, whether in the UK or abroad, and to deprive them of access to financial resources. The power operates independently of the criminal justice system: it can be used whether or not a designated individual has been charged with or convicted of a criminal offence. Those in custody or abroad may, depending on their circumstances, barely be affected at all. When applied to persons at liberty in the United Kingdom, however, designation has the potential to be highly intrusive and restrictive of everyday life.

Independent review

- 1.2. Exceptional powers require exceptional safeguards. The principal safeguard available to individuals against unlawful use of the asset-freezing power is the right of designated persons to appeal to the High Court. A further safeguard, of a more general nature, is the provision made by TAFA 2010 section 31 for the independent review of the operation of the Act. Independent review has been a feature of UK anti-terrorism legislation since the 1970s. TAFA 2010 section 31 mirrors the requirements for independent review of the Terrorism Acts 2000 and 2006 **[TA 2000, TA 2006]**¹ and of the Terrorism Prevention and Investigation Measures Act 2011 **[TPIMA 2011]**.²
- 1.3. I have served as Independent Reviewer of TAFA 2010 (as also of the Terrorism Acts and of the control order/TPIM regimes) since February 2011. The uniqueness of the Independent Reviewer's post derives from a combination of two factors:
- (a) complete independence;³ and
 - (b) unrestricted access, based on a very high level of security clearance, to documents and to personnel within Government, the police and the security services.

¹ TA 2006, section 36.

² TPIMA 2011, section 20.

³ I disclosed a number of asset-freezing cases in which I was formerly instructed by designated persons in the First Report at 1.6.

The authority of the Independent Reviewer derives also from listening to the widest possible range of those affected by the laws against terrorism, including those against whom they have been applied. The role is more fully described on my website, from which all my reports can be freely downloaded.⁴

First Report

- 1.4. My first report on TFA 2010 [the **First Report**], covering the initial nine months of the operation of the Act,⁵ was submitted to the Treasury and laid before Parliament in December 2011. The First Report extends to 76 pages, not including its six Annexes, and seeks to provide a comprehensive and accessible introduction both to TFA 2010, which I sought to locate in its broader international and legal context, and to the first nine months of its operation. It culminated in nine specific recommendations, concerning consideration of the grounds for designation; the formalisation of review procedures; increased transparency; dialogue with the financial sector; and improved guidance for designated persons.
- 1.5. Also accessible through the websites identified at fn 4, above, is the Government's prompt and constructive response of February 2012 to the First Report.

Scope of this Report

- 1.6. The objectives of this, my second report under TFA 2010, are more modest. I have been mindful that:
- (a) Only a year has elapsed since the publication of the First Report.
 - (b) TFA 2010 has not been amended in that time; nor has any new designation been made under it.⁶
 - (c) The total value of assets frozen under the Act is just £44,000.⁷
 - (d) Much fuller information on the application of TFA 2010 is now available in the quarterly ministerial statements on the operation of the UK's Counter-Terrorist Asset-Freezing regime⁸ and on the Treasury's own website, thanks

⁴ www.terrorism-legislation-reviewer.independent.gov.uk. See also the Treasury's website: http://www.hm-treasury.gov.uk/fin_sanctions_terrorist_independent_review.htm. for asset-freezing reports and responses.

⁵ 17 December 2010 to 16 September 2011: TFA 2010 section 31.

⁶ Though the designation of five Iranians on 17 October 2012 falls within the review period of this report, and is commented upon at 2.14, below.

⁷ Figure as of 30 September 2012: see Annex 4.

⁸ Annex 1 – Annex 4 to this report.

to the acceptance by the Government of **Recommendation 5⁹** and **Recommendation 6¹⁰** in the First Report.

- 1.7. This report is therefore in the nature of a supplement. It does not supersede the First Report, but rather updates it in the light of developments over the period covered by this review.¹¹ It contains no equivalents to the First Report's chapter 2 (financial measures against terrorism), chapter 3 (genesis of the Act) or chapter 4 (contents of the Act), to which the interested reader is referred for essential background. In addition, much of what is said about the operation of the Act takes as its starting point the material set out at chapters 5-9 of the First Report.

Resources and methodology

- 1.8. The Treasury has made its files freely available to me, and provided me with a place to read them. I have been shown everything that I asked to see for the purposes of this review, including legal advice given to the Government and top secret intelligence relating to those designated under the Act. Officials and lawyers within Government have discussed ideas at my invitation and checked a draft of this report for accuracy, without of course seeking to alter the opinions expressed.
- 1.9. I have had discussions with Lord Sassoon, the Commercial Secretary to the Treasury who is the principal decision-maker under the Act, and with officials from the Treasury, the Office of Security and Counter-Terrorism in the Home Office, the Foreign Office and other departments and agencies. I have also spoken with a number of solicitors and barristers who act for designated persons, and with special advocates who have participated in asset-freezing cases. I have attended a meeting of the British Bankers' Association [BBA] at which I was able to canvass the opinions of several different banks on the

⁹ "A list should be available on the Treasury's website of those who are designated under TAFA 2010."

¹⁰ "The quarterly reports laid before Parliament by the Treasury, pursuant to TAFA 2010 section 30, should include at least the following information: (a) the total number of accounts frozen at the end of the quarter, and the amount of money they contain; the numbers of designated persons who at the end of the quarter were (i) individuals in custody in the UK, (ii) individuals at liberty in the UK, (iii) individuals abroad (iv) organisations, distinguishing in the case of individuals between UK nationals and others; (c) the number of designations and reviews completed within the quarter, any developments in the procedures used, the results of the reviews and the names of any person or organisation newly designated or delisted; (d) any additions or amendments to general licences issued during the quarter; (e) the numbers of specific licences issued, and any new trends or developments in relation to specific licences; (f) the number and basis of legal challenges brought during the quarter, a summary of the progress of all legal challenges and the references to any open judgments; and (g) any plans for future changes to the system."

¹¹ 17 September 2011 to 16 September 2012.

practical impact of designation. I attended and spoke at a conference on asset-freezing, organized by New York University in June 2012. A trip to Brussels in October 2012 enabled me to discuss the functioning of the EU system for asset-freezing, and future legislative plans, with officials of the Commission and Council, a member of the cabinet of Commissioner Malmström, MEPs and the EU's Counter-Terrorism Co-ordinator, Gilles de Kerchove.

- 1.10. Although I have carefully read the files on a substantial number of designated groups and persons, including each of those in respect of whom a decision was taken to designate for the first time or to allow a designation to lapse, and each of those who has challenged his designation, my function is not to comment or to pronounce on individual cases. A judicial procedure exists for that purpose. The reason I have looked at individual files, as in the First Report, is to see whether they indicate systemic problems with, or possible improvements to, the operation of the Act.

2. PERSONS DESIGNATED

2.1. Designated persons are placed by TAFA 2010 into two categories:

- those designated by the Treasury (section 1(a)); and
- those included on the EU list provided for by Regulation 2580/2001 (section 1(b)).¹²

The prohibitions and other provisions of the Act apply both to those designated by the Treasury and to those on the EU list. The Act thus gives effect not only to the UK's international obligations to implement UNSCR 1373, but to its obligation under EU law to give effect to the EU's own implementing measures.

Persons on the EU list

2.2. The processes by which the EU list is put together fall outside the scope of this report. Nonetheless, because those appearing on the EU list are subject to the other provisions of the Act, it is relevant to know who they are.

2.3. A copy of the current EU list, as it stood at the end of the review period, is at **Annex 5** to this Report.

2.4. The list is contained in an Annex to a separate Council instrument,¹³ freely accessible via www.europa.eu and the Treasury's own website. It contains the names of each group and individual designated by the EU, together with other information which may include date of birth, passport number and the group(s) of which the individual is said to be a member.

2.5. A shorter version of the list, containing only the names of the groups and individuals designated, is now given at **Annex II** to each of the quarterly reports provided for by TAFA 2010 section 30 (**Annexes 1-4** to this Report).

2.6. The EU list, as it stood at the end of the review period, comprised 12 individuals and 25 groups/entities. It does not, of course, purport to be a complete list of terrorists with assets in the EU. In particular, it does not include:

- (a) persons designated under the UN Al-Qaida and Taliban asset-freezing regime, established under UNSCR 1267 and implemented by Council

¹² Regulation 2580/2001 constituted the EU's own implementation of UNSCR 1373, as explained in the First Report at 3.7–3.13.

¹³ At the end of the review period, Council Implementing Regulation (EU) No. 1375/2011 of 22 December 2011, as amended. 14 individuals were removed from the list by Council Implementing Regulation (EU) No. 213/2012 of 13 March 2012.

Regulation 881/2202 and the Al-Qaida (Asset-Freezing) Regulations 2011 (SI 2011/2742).

- (b) persons whose activities do not have a cross-border dimension, who for that reason are currently ineligible for EU listing; or
- (c) persons listed nationally (e.g. under TAFA 2010 in the United Kingdom) whom the Member State concerned has decided not to refer for EU listing.¹⁴

- 2.7. Of the 22 individuals that were on the EU list in September 2011, 16 were delisted during the period under review. The remaining six were joined during the review period by the five Iranians listed in connection with a plot to kill the Saudi Ambassador to the US (see 2.14-2.15, below), and by Mohammed Bouyeri, currently serving a life sentence without parole for the 2004 murder of Dutch film-maker Theo van Gogh.
- 2.8. There was no change over the review period to the 25 groups and entities on the EU list.
- 2.9. EU listing is conditional upon a decision having been taken by a national competent authority.¹⁵ For nine of the 12 individuals and six of the 25 groups/entities on the EU list, their listing rests on UK designation under TAFA 2012.¹⁶
- 2.10. I learned in Brussels that the Commission is contemplating proposing in 2013 a further EU Regulation under Article 75 of the Treaty on the Functioning of the European Union, which would enable terrorist assets to be frozen at EU level, even in the absence of a cross-border dimension. The fate of any such proposal, and the possible consequences for TAFA 2010, remain to be seen.

Persons designated by the Treasury

Evolution of the list

- 2.11. As I noted in the First Report, the number of Treasury designations under TAFA 2010 and its predecessors has been in steep decline, from 162 at the start of 2008 to 38 by September 2011. The major cause of this decline was the implementation of a policy whereby persons who were already subject to UN or EU asset freezes were no longer subject to duplicate Treasury designations,

¹⁴ For example, because the designated person is not thought to have assets or potential assets elsewhere, or because the designating state is unwilling or unable to share its intelligence on that person.

¹⁵ As explained in the First Report, 3.12.

¹⁶ This information is helpfully given in the Treasury's quarterly reports.

save where this was necessary to support an EU asset freeze. In addition, new designations of individuals have been sparing, and new designations of entities have been non-existent. Each of the eight designated entities in September 2011 had been listed since the first terrorist asset-freezing regime began in 2001.

2.12. During the period under review:

- (a) Five new individuals were designated, and three delisted.
- (b) The same eight entities remained designated.
- (c) The total number of designations thus rose to 40: 32 individuals and eight entities.

The identity of those designated at any given time can be clearly seen from Annex I to the Treasury's quarterly reports (**Annex 1-4** to this Report), in accordance with a recommendation in the First Report.

Designations revoked or allowed to lapse

2.13. The designations of three individuals were revoked or allowed to lapse during the period under review, in each case because the necessity test was considered no longer to be satisfied. The individuals are:

- (a) ***Ismail Bhuta***, who was listed from September 2009 until November 2011, when his designation was revoked. He is a British citizen in his late 60s, born in Gujarat and resident in London. His delisting preceded both the annual review of his case due in March 2012 and the hearing of his appeal against a High Court ruling that he was not entitled to be given sufficient information about the evidential case against him to enable him to give effective instruction to his advocates. That appeal, and the Government's cross-appeal, were later abandoned after the parties agreed terms.
- (b) ***Habib Ahmed***, who was listed from January 2007 until February 2012, when his designation was revoked. Now in his early 30s, he was convicted in 2008 of various offences under TA 2000, including membership of Al-Qaida and possession of a document containing details of how to make an improvised explosive device. He was released from prison in September 2011.
- (c) ***Selman Bozkur***, a Turkish national in his early 40s, who was listed from January 2008 until February 2012, when his designation was allowed to lapse.

New designations

- 2.14. The first new Treasury designations under TFA 2010, on 17 October 2011, were of five Iranian nationals in their late 40s or 50s.¹⁷ All five had been designated in the United States only six days earlier. That same day, 11 October 2011, two of them (Manssor Arbabsiar and Ali Shakuri) were charged in the Southern District of New York with conspiring, with others, to murder the Saudi ambassador to the United States. That plot was alleged to have been directed by elements of the Iranian Government.
- 2.15. The UK designation was promptly used as the basis for a further designation at EU level under Regulation 2580/2001.

Breakdown of designated individuals

- 2.16. Of the 32 UK-listed individuals at the end of the period under review:
- (a) All were men, aged between 57 and 26.
 - (b) 15 were UK nationals (some with dual nationality); other nationalities represented were Eritrean, Iranian, Kuwaiti, Lebanese, Saudi and Somali.
 - (c) None is alleged to have been involved with Northern Ireland-related or far-right extremist terrorism.
 - (d) Nine were listed also by the EU, on the basis of their UK designations. The other 23 had no EU listing.
 - (e) Four were first listed in 2001; 21 were first listed between 2004 and 2007; two were first listed in 2009; and five (the Iranians) were first listed in 2011.
 - (f) 17 had been convicted in the UK of terrorist offences, all of them committed during the peak period of Al-Qaida related terrorism in the middle of the last decade and many of them at the most serious end of the scale.¹⁸
 - (g) 14 were in custody in the UK; 13 were overseas; and five were at liberty in the UK.

¹⁷ Hamed Abdollahi, Manssor Arbabsiar, Abdul Raza Shahlai, Ali Shakuri and Qasem Soleimani.
¹⁸ Four individuals (Ramzi Mohammed, Yassin Omar, Hussein Osman and Muktar Mohammed Said) participated in the failed London attacks of 21 July 2005; nine (Abdula Ali, Assad Ali Sarwar, Tanvir Hussain, Umar Islam, Adam Khatib, Nabeel Hussain, Ibrahim Savant, Waheed Zaman and Waheed Arafat Khan) were involved in the airline liquid bomb plot that was intercepted in August 2006; Parviz Khan pleaded guilty to involvement in the 2007 Birmingham plot to kidnap and execute a British Muslim soldier; and Bilal Talal Abdullah drove a jeep packed with explosive material into Glasgow International Airport in 2007. Zahoor Iqbal and Sultan Muhammad were convicted in 2008 of terrorism-related offences.

Breakdown of designated entities

- 2.17. The eight designated entities have each been on the list since 2001. The comments in the First Report (5.25-5.28) thus continue to apply.

Quantity of assets frozen

- 2.18. The number of accounts and approximate amount of assets frozen under the TAFE regime are given in the Treasury's quarterly reports to Parliament. The most recent figures, taken from **Annex 4** to this Report, are as follows:

	Treasury list	EU list	Total
Assets frozen (as at 30/09/12)	£33,000	£11,000	£44,000
Number of accounts frozen in UK	68	10	78
Number of designations	40	37	77

- 2.19. Inspection of the quarterly tables reveals that the approximate sums frozen did not change between January 2012 and September 2012, notwithstanding 14 delistings by the EU and two by the Treasury. Since there were no new designations by either the EU or the Treasury during this period, it follows that none of those delisted had significant assets in the UK. There was however a fall in the approximate sums frozen in the last quarter of 2011, a period which coincided with one delisting by the Treasury and one by the EU.¹⁹
- 2.20. The absence of funds or economic resources in the UK does not necessarily mean that TAFE 2010 is ineffective in relation to a particular designated person. The Act not only freezes funds owned, held or controlled by a designated person, but prohibits the making of funds, financial services or economic resources available to or for the benefit of a designated person.²⁰

¹⁹ 84 accounts containing "just over £100,000" were frozen as of 30 September 2011: see Annex 4 to the First Report. By 31 December, the combined sums frozen under EU and Treasury designations had fallen to £44,000 (**Annex 1** to this report), where it remained for the rest of the period under review.

²⁰ TAFE 2010 sections 11-15; see the First Report, 4.8 – 4.10.

Reasons for sparing use of TAFE 2010

- 2.21. I make no criticism of the authorities for their sparing use of TAFE 2010. It is good to see that potentially very intrusive measures are thought necessary in only a small number of cases. It may however be worth reflecting on why the system is used as little as it is.
- 2.22. A number of possible explanations suggest themselves. Duplicative listings have been stripped out in recent years by the Treasury. The statutory hurdles for designation are viewed in some quarters (e.g. by the US Government, which initiates some designation requests) as comparatively high. The procedures for review and for legal challenge can make considerable demands on the limited resources of Government departments and agencies, a factor which can cause them to re-assess whether a designation is really necessary. There are, finally, other and often less cumbersome means of deterring, tracing and disrupting the financing of terrorism. Where such means can be used, it is likely that they will be.

3. THE MAKING AND REVIEW OF DESIGNATIONS

- 3.1. This chapter covers the processes that are applied to persons who are considered for designation or delisting by the Treasury (TFA 2010, sections 1(a) and 2-10). EU listing procedures fall outside the scope of this report, though appearance on the EU list has consequences under later sections of the Act.

Recommendations from the First Report

- 3.2. The process for designations and their review, as it applied in 2011, was described in chapter 6 of the First Report. It is not part of my function to second-guess the decisions taken by Ministers as regards the designation or delisting of particular individuals or entities. I did however make certain recommendations for improving the process. Those included, in particular:

Recommendation 1

The Treasury should issue and present to Parliament a statement of policy regarding its approach to designation under TFA 2010, in order to ensure that the power is used in a consistent and principle manner. That statement should deal, in particular, with:

- (1) the factors that may lead the Treasury to conclude that the statutory tests for designation (in particular, the necessity test) are satisfied;*
- (2) the factors that in a case where the statutory tests are satisfied may inform the Treasury's exercise of its discretion to designate (or to retain a designation in force).*

It should also confirm that no designation will be made, or retained in force, without consideration of whether designation would be proportionate bearing in mind the anticipated effect on private and family life (Article 8 ECHR) and property rights (Article 1 of the First Protocol).

Recommendation 2

With a view to ensuring that all relevant views and all other available options are considered in a structured manner, consideration should be given to addressing designations and reviews at regular meetings, modeled on meetings of the Control Order Review Group and the equivalent groups dealing with proscription, where the option of designation can be rigorously tested against possible alternatives on the basis of input from all concerned departments and agencies.

Recommendation 3

As part of the exercise of ensuring that all available options are considered, the police should be asked to advise specifically on the prospects for prosecution

(accompanied, if necessary, by a seizure of assets pursuant to ATCSA 2001, section 1).

Recommendation 4

Where reviews are conducted prior to release from prison, the review process should be more effectively co-ordinated with the MAPPA process, so that the necessity or otherwise of an asset freeze can be assessed together with other possible licence conditions.

- 3.3. **Recommendation 1** was promptly given effect, in a Designation Policy Statement that was set out in the Annex to the Treasury's response. For convenience, it is annexed also to this Report (**Annex 6**). See further at 3.15-3.16, below.
- 3.4. **Recommendation 2** was also given effect. An Asset-Freezing Review sub-group [**AFRG**] has been constituted under the aegis of the existing Asset-Freezing Working Group. Its terms of reference were agreed in January 2012, and a pilot meeting held in February. I attended its first full meeting, in September 2012, at which the case of five designated persons were considered in detail, against the parameters set out in the Designation Policy Statement, by officials from a range of Government departments or agencies.
- 3.5. The Treasury agreed in respect of **Recommendation 3** that operational partners should advise on other measures, such as prosecution or forfeiture of assets, when the Treasury considers a designation proposal or reviews a case. It noted however (as is undeniable) that it must remain free to use an asset freeze alongside other tools where the case requires it.
- 3.6. **Recommendation 4** has been given effect by improved arrangements for integrating asset freeze designation reviews with the MAPPA process. I was told that my recommendation was helpful in ensuring this outcome. In at least one case, the Treasury is a member of the prisoner's MAPPA panel and attends meetings. It was also encouraging to learn that the National Offender Management Service [**NOMS**] has agreed to be involved in designation reviews of prisoners on licence, and to attend AFRG meetings where it is relevant for them to do so.

Scope of this review

- 3.7. For the purposes of this report I have reviewed the files in the five cases which resulted in new designations, the three cases which resulted in delisting and a small selection of those whose designations were retained. This is against the background of my comprehensive review of all 38 files in 2011.

New designations

- 3.8. The first new designations under TAFA 2010 came near the beginning of the review period, in October 2011. Five Iranians who were believed to have been involved in State-sponsored terrorism had their assets frozen by the US Treasury Department, and the UK (followed by the EU, based on the UK designation) followed suit.
- 3.9. It should not be assumed that these five persons were the only ones put forward for designation. I am told that a number of other potential candidates for designation were rejected, often at a preliminary stage (e.g. because the statutory tests have been misunderstood) and without the creation of a file. Proposals for designation may come from the police, intelligence services or Government departments. In some cases, the original initiative may (as in the case of the five Iranians) come from a foreign government.

Annual review of designations

- 3.10. Under TAFA 2010 section 4, all Treasury designations lapse automatically after 12 months unless steps are taken to renew them. All those who were designated at the start of the period under review had their designation reviewed over the period October 2011 – March 2012. These reviews were conducted in accordance with the procedures described at 6.5 of the First Report, since the AFRG was not yet operating at that stage. Thus:
- (a) Designated persons were asked for written submissions on whether they should remain designated.
 - (b) The Treasury discussed with the police and with interested parties and agencies. Counsel's advice could be taken, though this was not the usual practice.
 - (c) A submission in each case was prepared for the Minister.
 - (d) A letter with brief reasons for the decision was sent to the designated person.
 - (e) The outcome of the review was published in a Treasury General Notice, and the Consolidated List on the Treasury's website was updated.
- 3.11. The head of the Treasury's Asset-Freezing Unit, Mikael Down, told me that he personally familiarised himself with and approved every submission that went to Ministers under TAFA 2010 during the review period. Lord Sassoon, Commercial Secretary to the Treasury, took most of the decisions; some were

taken by the Chancellor of the Exchequer. As last year, most but not all of the decisions were in accordance with civil service advice.

3.12. I conclude, on the basis of the files I have read, that:

- (a) The decisions on review were reached after consideration, as appropriate, of evidence from police, the prison service and other agencies.
- (b) Ministers were properly and frankly advised on the application of the reasonable belief test and the necessity for public protection test in TAFA 2010 section 2(1).
- (c) Ministers were prepared to find where appropriate that the necessity test was no longer satisfied, as in the case of the three persons whose designations were allowed to lapse during the period under review (2.12, above).

3.13. Having read their recommendations, I did not detect any institutional bias within MI5, or indeed other departments and agencies, in favour of maintaining designations. The annual review system means that there is a cost in time and resources inherent in maintaining a designation. The bringing of legal challenges may further serve to concentrate minds, because of independent legal advice from outside counsel or because defending such challenges may tie up resources which could be more productively used elsewhere.

3.14. The Asset-Freezing Review sub-group had its first full meeting on 18 September 2012, just after the end of the period under review, to consider whether to renew the designations of the five Iranians first listed in October 2011. Each of the five designations was eventually renewed. I attended the meeting and will report on the operation of the sub-group in my next annual report, in the light of further experience. It will be interesting to see, in particular, how it tackles the issue of necessity in cases where the designated person is abroad or in prison: see First Report, 10.12(b)(c).

4. LICENCES

- 4.1. The objectives and functioning of the licensing system, as it continues to operate, were set out in chapter 7 of the First Report.

General licences

- 4.2. The five general licences described at 7.6-7.9 of the First Report permit certain payments and transfers relating to insurance, legal expenses and funds for use in prison. They have not been changed or supplemented.

Specific licences

- 4.3. The individual licensing system was described at 7.10-7.17 of the First Report. The quarterly reports at **Annexes 1-4** to this Report reveal that over the year to 30 September 2012, which approximately coincides with the period under review, 18 specific licences were issued and 10 revoked.
- 4.4. Every licensing decision during the period under review was taken personally by a Treasury Minister, which might be considered surprising given the very small sums involved in some cases. Ministerial attention to licence requests was however prompt: decisions were returned from the Minister in a timeframe ranging from several minutes to several days, depending on the urgency of the request.
- 4.5. After one designated person suffered a house fire, Ministers issued an individual licence for £300 and delegated the authority to issue any further licences that might be required to pay for fire damage. In another case, no reporting requirement was imposed on a licence under which a wife was entitled to pay £10 per week to her husband. Such decisions, taken after due consideration of the risks, display a welcome flexibility of the sort that I urged in the First Report (**Recommendation 7**, below).

Recommendations and review

- 4.6. Two of the recommendations in the First Report were relevant to licensing:

Recommendation 7

Continuing efforts should be made to draft individual licences with the maximum flexibility appropriate to the case.

Recommendation 9

The Treasury, after informal consultation with solicitors active in this field, should produce a list of FAQs intended as practical guidance to persons subject to designation. The purpose of such a document would be to highlight what is prohibited but also to reassure designated persons by explaining, in simple non-legal language, the sort of transactions that they are free to enter into.

- 4.7. In late August 2012, the Treasury launched a Terrorist Asset Freezing Licensing Policy Review. The aim of the review was to ensure that licensing policy meets the obligations set out in TAFA 2010 and is robust, proportionate and efficient. The Review is limited to the licensing policy framework for terrorist asset freezing, though it is acknowledged that some of the issues considered may be relevant to licensing under other regimes, e.g. country sanctions. The review has not yet concluded. Its progress and findings will be reported to the Asset Freezing Working Group and will be considered in my next annual report.
- 4.8. Two of the firms of solicitors with the greatest experience of acting for designated persons have in correspondence with the Treasury strongly supported **Recommendation 9** in the First Report. This was to the effect that a list should be provided of FAQs, highlighting what is prohibited but also explaining, in simple non-legal language, the sort of transactions that designated persons are free to enter into. The solicitors submit in particular that:
- (a) Such a document could be provided to a person upon their designation and would be extremely helpful in reassuring and guiding designated persons about their conduct.
 - (b) Consideration should be given to providing the FAQs and all designation information in languages other than English.
 - (c) The FAQs should deal with confusion that currently exists as regards eating and drinking with others; the purchase of food, payment of bills and buying of presents by others for the benefit of the designated person, or vice versa; and the definition of basic expenses in practical contexts such as clothing, food and television subscriptions.
 - (d) Designated persons should be pointed towards sources of independent (and potentially free) legal advice.
- 4.9. These are precisely the sort of questions that it seems to me should be covered by the proposed list of FAQs. While nobody suggests that such a list could cover every eventuality, it does seem to me that when the State places such far-

reaching restrictions on the economic activity of an individual, it is incumbent upon it to explain as precisely as possible what the scope of those restrictions is.

- 4.10. The principal intended beneficiaries of this improved clarity are the designated persons and their families. As I recorded in the First Report (7.26), some of them are “*anxious, the whole time*” about inadvertently exceeding the scope of their restrictions. The result can be “[a] *‘chilling effect’, causing some people to react to designation by shrinking their horizons to the home*”.
- 4.11. It does occur to me, however, that greater precision in this area could bring advantages for the authorities also, in potentially facilitating prosecutions for breach of prohibitions imposed under TAFE 2010. Experience with prosecutions for breach of control orders and TPIMs suggests that it can be difficult to make charges of this nature stick.²¹ The clearer the guidance that has been supplied, the less persuasive will be the submission that the defendant was not aware of the scope of the restrictions on the designated person and lacked the requisite mental element to be convicted.²²

²¹ D. Anderson, *Control Orders in 2011*, March 2012, 3.58-3.63, 4.14-4.15 and 6.15-6.16 (freely downloadable from my website: fn 4, above).

²² The mental elements of the various offences are generally phrased in terms of knowledge or reasonable cause for suspicion: see TAFE 2010 sections 11-18 and First Report, 4.8-4.10.

5. OPERATION OF THE PROHIBITIONS

- 5.1. In the First Report, I summarised at 8.4 various complaints that I had heard both from banks and from the representatives of designated persons concerning the operation of TAFA 2010.
- 5.2. Recognising that I could draw attention to these problems but not solve them, I recommended as follows:

Recommendation 8

Dialogue between financial institutions, their regulators and the Treasury should seek to simplify the discharge by financial institutions of their responsibilities, and to identify ways in which those responsibilities can be discharged without causing needless frustration and humiliation to designated persons (for example, by the automatic closure of their accounts once designation ceases).

- 5.3. In its response, the Treasury stated:

“... The Treasury will engage in further dialogue with the financial sector to explore any ways in which the operation of the licensing regime could be simplified.

The Treasury understands that the way in which frozen bank accounts are operated may cause some difficulty for designated persons. However, designated persons’ access to funds needs to be carefully monitored and controlled to ensure that there is no breach of the asset-freeze and consequent risk to public safety. It is important to recognise that the ways in which banks operate frozen accounts, and the action they may take once a designation is lifted, are commercial decisions for the financial institution concerned. These decisions are informed by compliance and risk policies and are not ones that the Treasury or regulator should determine.

Free advice for those unable to obtain bank accounts is available from the Money Advice Service, which offers impartial information and advice on financial matters.”²³

- 5.4. During the period under review I attended a meeting of the Sanctions Panel of the British Bankers’ Association where I was able to solicit the views of a number of compliance officers.
- 5.5. I detected little willingness on the part of the banks to redress the most serious problem identified in the First Report: the automatic closure of accounts once a person is de-designated. Banks (unlike the providers of other essential utilities) are under no universal service obligation. Those to whom I spoke were simply

²³ Treasury Response to the First Report, Cm 8287, February 2012.

not prepared to run the regulatory and reputational risk associated with acting as banker for a person who, prior to the revocation of his designation, was believed to be a terrorist from whom the public needed to be protected. As one of them put it to me, citing a no doubt extreme example:

“Reputationally, why would you keep these people on? If someone has 33 aliases, then something is wrong.”

Reference was made to the vast penalties imposed on European banks by the US authorities for breach of country sanctions in particular.²⁴

- 5.6. One banker did suggest that greater transparency as to the Treasury’s reasons for ending a designation might enable them to avoid the closure of accounts in some circumstances.
- 5.7. I am encouraged by the Treasury’s undertaking to engage in further dialogue with the financial sector to explore any ways in which the operation of the licensing regime could be simplified, and look forward to seeing the outcome of such dialogue. The ongoing Terrorist Asset Freezing Licensing Policy Review is relevant. There is also a separate initiative, not directly relevant to terrorist asset freezing, aimed at harmonising licensing regimes across different country sanctions regimes.
- 5.8. Less encouraging is the Treasury’s blunt characterisation of the way in which banks operate frozen accounts, and react once those accounts are unfrozen, as *“commercial decisions for the financial institution concerned”* (5.3, above). I can entirely understand a reluctance to enter into the detail of debit card arrangements, electronic systems and counter service. But as one compliance officer put it to me, the banks act as an enforcement arm of the Treasury when it comes to asset freezing. The Treasury is a public authority, whose responsibilities include ensuring that its asset-freezing decisions intrude no further than is necessary into the private lives of those who are affected by them. In that context, it surely has some responsibility, legal or moral, for the manner in which its requirements are implemented by the banks.
- 5.9. One constructive way in which that responsibility could be discharged, without undue technical involvement, is by the Treasury routinely providing any formerly designated individual or organisation who requests one with a written statement explaining why designation has been revoked or allowed to lapse. The purpose

²⁴

In 2005, ABN Amro was penalised by the US Department of Justice, federal and state bank regulators and OFAC for clearing payments through the United States that were initiated by Iranian banks. A settlement of close to \$500m dollars resulted. Similar cases against Lloyds, Credit Suisse and Barclays followed.

of such a statement would be not to provide detail, still less classified detail, but to give such reassurance to third parties, including banks, as is properly to be derived from the Treasury's decision. In the case of a person in respect of whom the statutory tests are no longer satisfied, it might for example be stated that (tracking the words of TAFA 2010 section 2):

- (a) the Treasury no longer believes that the person is or has been involved in terrorist activity; or that
- (b) the Treasury no longer considers it necessary for purposes connected with protecting members of the public from terrorism that financial restrictions should be applied in relation to that person.

Further detail could be added if and as appropriate. No admission of error or wrongdoing would be implied by such statements, since they say nothing about the reasonableness of the Treasury's *past* belief and merely record the reason for de-designation.

- 5.10. Such statements have to my knowledge been individually negotiated by solicitors acting for formerly designated persons in the past. I can see no reason why they should not be made available on request to any formerly-designated person who wanted one. They could be useful in discussions not only with potential bankers (if there is substance to the suggestion recorded at 5.6 above) but also with employers, study institutions and others. They might go some way to dispelling the taint associated with past designation, which can long outlast both the freeze itself and the justification for it.

6. LEGAL PROCEEDINGS

Prosecutions for breach

- 6.1. The possible responses to breaches of prohibitions imposed under TAFE 2010 are outlined at 8.7-8.9 of the First Report.
- 6.2. During the period under review there were no prosecutions of designated persons or of third parties for breaching prohibitions imposed under the Act: info. This information can be obtained from the Treasury's quarterly reports: see **Annexes 1-4**.
- 6.3. Experience with analogous regimes suggests that assembling the necessary evidence can be time-consuming, and that securing convictions will not always be easy.²⁵ It is important however that the Treasury gives itself every chance of establishing prosecution as a credible sanction for breach of requirements under TAFE 2010, whether by designated persons or by others. To that end, I believe that it well understands the importance of involving the Crown Prosecution Service at an early stage.

Appeals and other proceedings

- 6.4. Once again, no appeals against designations under TAFE 2010 or the Terrorism Orders were determined during the period under review. Neither was any substantive issue in those appeals determined.
- 6.5. It is now possible to track pending appeals and other proceedings via the Treasury's quarterly reports (**Annexes 1-4**). Cases brought by five individuals were extant during all or part of the period under review.
- 6.6. The appeals of **Ismail Bhuta** were lodged in October 2010 and May 2011, and summarized at 9.3 of the First Report. A High Court ruling to the effect that Article 6 of the ECHR was not applicable to his claim (thus depriving him of the enhanced *AF No. 3* disclosure rights given to control order and TPIM subjects)²⁶ had been the subject of permission to appeal to the Court of Appeal.
- 6.7. Ismail Bhuta's designation was revoked on 29 November 2011, and in May 2012 the case was discontinued on agreed terms. The prospect of Court of Appeal guidance on the disclosure issue, which is of considerable importance to all who

²⁵ See 4.11 and fn 20, above.

²⁶ *R (Bhutta) v HM Treasury* [2011] EWHC 1789 (Admin), following *Secretary of State for the Foreign and Commonwealth Office v Maftah and Khaled* [2011] EWCA Civ 350.

wish to challenge their designation, has thus receded into the future.²⁷ The issue has however recently been revisited by the High Court in the appeal of Gulam Mustafa (6.10, below).

- 6.8. The appeal of **Habib Ahmed** was lodged in January 2012, after significant delay by the Treasury in reviewing his March 2011 designation after his release from prison in September 2011. Having consulted the police and MAPPA, Habib Ahmed's designation was revoked in February 2012. The appeal proceedings were then withdrawn. As the Treasury had failed to review Mr. Ahmed's designation promptly upon his release, and had failed to respond to correspondence from his solicitors in good time, the Treasury agreed to pay Mr. Ahmed's costs of £1,500.
- 6.9. The appeals of **Zana Rahim** were lodged in August 2010 and June 2011, and described at 9.4 of the First Report. There were no rulings in this case during the period under review.
- 6.10. The appeals of **Gulam Mustafa** against his 2011 and 2012 designations under TAFE 2010 were lodged in April 2012. There was a directions hearing in May 2012, and a hearing on 28 November 2012 on the applicability of Article 6 ECHR and the consequences for disclosure, the result of which was awaited as this report went to press.
- 6.11. Also of interest is the ongoing damages claim lodged in the quarter to June 2012 by a person referred to as **M**, seeking payment of damages by the Treasury flowing from his designations under the Terrorism (United Nations Measures) Orders 2006 and 2009, two precursors of TAFE 2010.

²⁷ See First Report, 10.4(d). The current lead case in the UK is *Gulam Mustafa* (6.10, below), currently in the High Court. Also relevant to the circumstances in which *AF No. 3* disclosure must be given will be the forthcoming judgment of the Court of Justice of the European Union in Case C-300/11 *ZZ* (see Advocate General's Opinion of 12 September 2012) and the eventual judgment of the European Court of Human Rights in Applications 46538/11 and 3960/12 *Gulamhussein and Tariq v United Kingdom*, challenging the ruling in *Home Office v Tariq* [2011] UKSC 35 and communicated to the Government on 7 March 2012. The possibility that the legislature would attempt to resolve the issue, held out in the Justice and Security Green Paper and referred to in the First Report at 9.7, appears to have receded.

7. SUMMARY AND RECOMMENDATION

7.1 TFA 2010 implements the UK's international obligations under UNSCR 1373, but is an ancillary rather than a central part of the fight against terrorism.

7.2 Numbers designated by the Treasury under the Act remain low by historic standards (32 individuals, 8 entities). The total quantity of assets frozen, taking the Treasury and EU lists together, declined to less than £50,000.

7.3 Over the period under review, three individual designations were revoked or allowed to lapse, and five new designations were made by the Treasury. The eight designated entities have been unchanged since 2001. No individuals or entities in Northern Ireland are designated. Around half of the designated individuals have been convicted in the UK of terrorist offences, and a similar proportion are UK nationals.

7.4 The majority of designated individuals are either imprisoned in the UK, often as a consequence of their involvement in major terrorist plots, or based overseas. The eight designated groups are all based overseas. In such cases, designation normally has little practical effect, and is rarely challenged in the courts.

7.5 Five designated persons, at the end of the review period, were at liberty in the United Kingdom. For them and for their families, the constraints imposed by an asset freeze – including the need to seek approval and to account even for small items of expenditure – may be experienced as intrusive and humiliating to the point where it depresses the spirits and feels like punishment. Appeals to the courts during the period under review have either been withdrawn or made slow progress.

7.6 The Asset-Freezing Unit at the Treasury is generally to be commended for its operation of the TFA 2010 regime during the year under review. In particular, it has produced briefings of a high quality for Ministers and has normally responded quickly and with a degree of flexibility to licensing requests. One lapse from the required standards of promptness is recorded at 6.8, above. All concerned have once again co-operated fully and unreservedly with this annual review.

7.7 The First Report made nine recommendations for further improvement. I am pleased to say that those recommendations were largely accepted, and that action has been or is being taken to implement them. In some respects (e.g. the improved guidance to designated persons: 4.8-4.10 above) I have further affirmed the desirability of action in this report.

7.8 A number of broader-ranging issues were raised in the First Report, at 10.4-10.7. Some of those issues are common to other executive orders (proscription, TPIMs);

and action on some would require amendment of TAFE 2010. I have discussed those issues in a variety of fora, including within the Treasury, but have not reached firm conclusions. I am likely to return to some of them in a subsequent report, as experience of TAFE 2010 increases and the action taken to implement my previous recommendations beds down.

7.9 To my nine recommendations of last year I would add only one at this stage (see 5.9-5.10 above):

Recommendation 10

The Treasury should routinely provide any formerly designated individual or group who requests one with a written statement explaining why designation has been revoked or allowed to lapse.

ANNEX 1

Quarterly Review to 31 December 2011

Written Ministerial Statement

Operation of the UK's Counter-Terrorist Asset Freezing Regime: 1 October 2011 to 31 December 2011

The Commercial Secretary to the Treasury (Lord Sassoon): My honourable friend the Financial Secretary to the Treasury (Mark Hoban) has today made the following Written Ministerial Statement.

Under the Terrorist Asset-Freezing etc. Act 2010 ("TAFa 2010"), the Treasury is required to report quarterly to Parliament on its operation of the UK's asset freezing regime mandated by UN Security Council Resolution 1373.

This is the fourth report under the Act and it covers the period from 1 October 2011 to 31 December 2011. This report also covers the UK implementation of the UN Al-Qaida asset freezing regime.

Follow up to Independent Reviewer's report

Following recommendations made by David Anderson QC, the Independent Reviewer, in his report on the Operation of the Terrorist Asset-Freezing etc. Act 2010 published on 15 December 2011, the Treasury has revised the content and format of the quarterly report to provide additional information.

This report has been revised to take account of the Independent Reviewer's recommendation to publish more information about the operation of the domestic asset-freezing regime. This information can be found in the table and text below. In accordance with the recommendation at paragraph 11.5 of the Independent Reviewer's report, the lists at the end of this statement provide a breakdown by name of all those designated by the UK and the EU in pursuance of UN Security Council Resolution 1373.

The Treasury has also decided to report more fully on the operation of the EU asset freezing regime in the UK under the EU Regulation (EC) 2580/2001 which implements the UNSCR 1373 against external terrorist threats to the EU. Under this regime, the EU has responsibility for designations and the Treasury has responsibility for licensing and compliance with the regime in the UK under Part 1 of TAFa 2010.

The Treasury has published its response to the Independent Reviewer's Report today (8 February 2012) and the next quarterly report will provide an update on implementation of other recommendations which impact on the operation of the asset-freezing regime in the UK.

Additional information, where available, is also provided for the Al-Qaida regime in the revised format adopted to meet the Independent Reviewer's recommendation.

The following table sets out the key asset-freezing activity in the UK during the quarter ending 31 December 2011:

	TAFA 2010	EU Reg(EC) 2580/2001	Al-Qaida regime UNSCR 1989
Assets frozen (as at 31/12/2011)	£33,000	£11,000	£72,000 ¹
Number of accounts frozen in UK (at 31/12/11)	70	10	39
New accounts frozen	0	0	0
Accounts unfrozen	4	0	2
Number of designations (at 31/12/11)	42	51	343
(i) new designations (during Q4 2011)	5	5	1
(ii) Delistings	1	1	1
(iii) individuals in custody in UK	15	0	3
(iv) individuals in UK, not in detention	5	0	7
(v) individuals overseas	14	26	242
(vi) groups	8 (0 in UK)	25	91 (2 in UK)
Renewal of designation	1	n/a	n/a
General Licences			
(i) Issued in Q4		(i) 0	
(ii) Amended		(ii) 5	
(iii) Revoked		(iii) 0	
Specific Licences:			
(i) Issued	(i) 4	(i) 0	(i) 1
(ii) Revoked	(ii) 9	(ii) 0	(ii) 2

The key areas of activity during the quarter were:

- The Treasury made five new designations under TAFA 2010. These were in respect of Hamed ABDOLLAHI, Manssor ARBABSAR, Abdul Reza SHAHLAI, Ali Gholam SHAKURI, and Qasem SOLEIMANI; and were the first new designations made under TAFA 2010. The five individuals were subsequently listed under EU Regulation 2580/2001.
- Two reviews of existing designations were completed during the quarter, which resulted in the delisting of Ismail Bhuta and the renewal of designation of Bilal Abdullah.
- Nine licences were revoked following the delisting of Ismail Bhuta.
- The decrease in balances since the last quarter follows delistings made and licences issued (under which frozen funds have been released).

¹ This figure reflects the most up-to-date account balances available and includes approximately \$64,000 of suspected terrorist funds frozen in the UK. This has been converted using exchange rates as of 04/01/12.

The Al-Qaida (Asset-Freezing) Regulations 2011 were introduced in November to replace the Al-Qaida and Taliban (Asset-Freezing) Regulations 2010, following the split of the Al-Qaida and Afghanistan regimes agreed by the UN in June 2011.

Legal Challenges

Two legal challenges against designations made under both the Terrorism (United Nations Measures) Order 2009 and TAFA 2010 were ongoing in the quarter covered by this report. There were no specific developments during the quarter in the cases brought by Zana Rahim and Ismail Bhuta. No new challenges were made against the Treasury during the quarter.

Proceedings

In the quarter to 31 December 2011, no proceedings were initiated in respect of breaches of the prohibitions of the Act or the Al-Qaida (Asset-Freezing) Regulations 2011.

HM Treasury

8 February 2012

(i) **Designated persons under TAFA 2010 by name²**

INDIVIDUALS

1. Hamed ABDOLLAHI
2. Bilal Talal ABDULLAH
3. Habib AHMED
4. Imad Khalil AL-ALAMI
5. Abdula Ahmed ALI
6. Abdelkarim Hussein AL-NASSER
7. Ibrahim Salih AL-YACOUB
8. Manssor ARBABSIAR
9. Selman BOZKUR
10. Usama HAMDAN
11. Nabeel HUSSAIN
12. Tanvir HUSSAIN
13. Zahoor IQBAL
14. Umar ISLAM
15. Hasan IZZ-AL-DIN
16. Parviz KHAN
17. Waheed Arafat KHAN
18. Osman Adam KHATIB
19. Musa Abu MARZOUK
20. Gulam MASTAFA
21. Khalid MISHAAL
22. Khalid Shaikh MOHAMMED
23. Ramzi MOHAMMED
24. Sultan MUHAMMAD
25. Yassin OMAR
26. Hussein OSMAN
27. Zana Abdul RAHIM
28. Muktar Mohammed SAID
29. Assad SARWAR
30. Ibrahim SAVANT
31. Abdul Reza SHAHLAI
32. Ali Gholam SHAKURI
33. Qasem SOLEIMANI
34. Waheed ZAMAN

ENTITIES

1. BASQUE FATHERLAND AND LIBERTY (ETA)
2. EJERCITO DE LIBERACION NACIONAL (ELN).
3. FUERZAS ARMADAS REVOLUCIONARIAS DE COLOMBIA (FARC)
4. HIZBALLAH MILITARY WING, INCLUDING EXTERNAL SECURITY ORGANISATION
5. HOLY LAND FOUNDATION FOR RELIEF AND DEVELOPMENT
6. POPULAR FRONT FOR THE LIBERATION OF PALESTINE - GENERAL COMMAND (PFLP-GC)
7. POPULAR FRONT FOR THE LIBERATION OF PALESTINE (PFLP)
8. SENDERO LUMINOSO (SL)

² For full listing details please refer to <http://www.hm-treasury.gov.uk/d/terrorism.htm>.

(ii) **Persons designated by the EU under Council Regulation (EC)2580/2001³**

PERSONS

1. Hamed ABDOLLAHI*
2. Rabah Naami ABOU
3. Maisi ABOUD
4. Abdelkarim Hussein AL-NASSER*
5. Ibrahim Salih AL YACOUB*
6. Manssor ARBABSIAR*
7. Kamel ARIOUA
8. Mohamed ASLI
9. Rabah ASLI
10. Mohammed BOUYERI
11. Nouredine DARIB
12. Abderrahmane DJABALI
13. Sofiane Yacine FAHAS
14. Hasan IZZ-AL-DIN*
15. Khalid Shaikh MOHAMMED*
16. Fateh MOKTARI
17. Farid NOUARA
18. Hoari RESSOUS
19. Nouredine SEDKAOUI
20. Abdelghani SELMANI
21. Sofiane SENOUCI
22. Abdul Reza SHAHLAI*
23. Ali Gholam SHAKURI*
24. Qasem SOLEIMANI*
25. Mohammed TINGUALI
26. Jason Theodore WALTERS

GROUPS AND ENTITIES

1. Abu Nidal Organisation (ANO)
2. Al-Aqsa Martyrs' Brigade
3. Al-Aqsa e.V.
4. Al-Takfir and Al-Hijra
5. Babbar Khalsa
6. Communist Party of the Philippines, including New People's Army (NPA), Philippines
7. Gama'a al-Islamiyya (a.k.a. Al-Gama'a al-Islamiyya) (Islamic Group — IG)
8. İslami Büyük Doğu Akıncılar Cephesi (IBDA-C) (Great Islamic Eastern Warriors Front)
9. Hamas, including Hamas-Izz al-Din al-Qassem
10. Hizbul Mujahideen (HM)
11. Hofstadgroep
12. Holy Land Foundation for Relief and Development*
13. International Sikh Youth Federation (ISYF)
14. Khalistan Zindabad Force (KZF)
15. Kurdistan Workers Party (PKK) (a.k.a. KONGRA-GEL)
16. Liberation Tigers of Tamil Eelam (LTTE)
17. Ejército de Liberación Nacional (National Liberation Army)*

³ For full listing details please refer to <http://www.hm-treasury.gov.uk/d/terrorism.htm>

* EU listing rests on UK designation under TAFA 2010

18. Palestinian Islamic Jihad (PIJ)
19. Popular Front for the Liberation of Palestine (PFLP)*
20. Popular Front for the Liberation of Palestine — General Command (PFLP-GC)*
21. Fuerzas armadas revolucionarias de Colombia (FARC)*
22. Devrimci Halk Kurtulu Partisi-Sephesi – DHKP/C (Revolutionary People's Liberation Army/Front/Party)
23. Sendero Luminoso (SL) (Shining Path)*
24. Stichting Al Aqsa
25. Teyrbazen Azadiya Kurdistan (TAK)

ANNEX 2

Quarterly Review to 31 March 2012

Written Ministerial Statement

Operation of the UK's Counter-Terrorist Asset Freezing Regime: 1 January 2012 to 31 March 2012

The Commercial Secretary to the Treasury (Lord Sassoon): My honourable friend the Financial Secretary to the Treasury (Mark Hoban) has today issued the following Written Ministerial Statement.

Under the Terrorist Asset-Freezing etc. Act 2010 ("TFAFA 2010"), the Treasury is required to report quarterly to Parliament on its operation of the UK's asset freezing regime mandated by UN Security Council Resolution 1373.

This is the fifth report under the Act and it covers the period from 1 January 2012 to 31 March 2012. This report also covers the UK implementation of the UN Al-Qaida asset freezing regime and the operation of the European Union (EU) asset freezing regime in the UK under the EU Regulation (EC) 2580/2001 which implements UNSCR 1373 against external terrorist threats to the EU. Under the latter regime, the EU has responsibility for designations and the Treasury has responsibility for licensing and compliance with the regime in the UK under Part 1 of TFAFA 2010.

Annexes 1 and 2 to this statement provide a breakdown by name of all those designated by the UK and the EU in pursuance of UN Security Council Resolution 1373.

Following the publication in February 2012 of the Treasury's Response to the Independent Reviewer's First Report on the Operation of TFAFA 2010, the Treasury is continuing work to implement the Independent Reviewer's recommendations. Progress on these will be reported in future reports to Parliament.

The following table sets out the key asset-freezing activity in the UK during the quarter ending 31 March 2012:

Activities	TFAFA 2010	EU Reg(EC) 2580/2001	Al-Qaida regime UNSCR 1989
Assets frozen (as at 31/03/2012)	£33,000	£11,000	£71,000 ¹
Number of accounts frozen in UK (at 31/03/12)	68	10	38
New accounts frozen	0	0	0
Accounts unfrozen	1	0	1
Number of designations (at 31/03/12)	40	37	329
(i) new designations (during Q1 2012)	0	0	11
(ii) Delistings	2	14	25
(iii) individuals in custody in	14	0	2

¹ This figure reflects the most up-to-date account balances available and includes approximately \$64,000 of suspected terrorist funds frozen in the UK. This has been converted using exchange rates as of 02/04/12.

UK			
(iv) individuals in UK, not in detention	5	0	7
(v) individuals overseas	13	12	260
(vi) groups	8 (0 in UK)	25	69 (2 in UK)
Renewal of designation	34	n/a	n/a
General Licences			
(i) Issued in Q1		(i) 0	
(ii) Amended		(ii) 0	
(iii) Revoked		(iii) 0	
Specific Licences:			
(i) Issued	(i) 6	(i) 0	(i) 0
(ii) Revoked	(ii) 1	(ii) 0	(ii) 0

The key area of activity during the quarter was:

- Reviews of the remaining 36 existing designations, not reported on in the previous quarterly report, were conducted during the quarter, which resulted in the renewal of 34 designations and the delisting of Habib Ahmed and Selman Bozkur. The renewals and delistings were all publicised on the Treasury website. All current designations under TAFA 2010 are listed at Annex I.

Legal Challenges

Three legal challenges against designations made under both the Terrorism (United Nations Measures) Order 2009 and TAFA 2010 were ongoing in the quarter covered by this report. The challenges brought by Ismail Bhuta and Habib Ahmed were withdrawn during the quarter, in accordance with agreed terms of settlement. There were no specific developments during the quarter in the case brought by Zana Rahim.

Proceedings

In the quarter to 31 March 2012, no proceedings were initiated in respect of breaches of the prohibitions of the Act or the Al-Qaida (Asset-Freezing) Regulations 2011.

HM Treasury

30 April 2012

Annex I

Designated persons under TAFE 2010 by name²

INDIVIDUALS

1. Hamed ABDOLLAHI
2. Bilal Talal ABDULLAH
3. Imad Khalil AL-ALAMI
4. Abdula Ahmed ALI
5. Abdelkarim Hussein AL-NASSER
6. Ibrahim Salih AL-YACOUB
7. Manssor ARBABSIAR
8. Usama HAMDAN
9. Nabeel HUSSAIN
10. Tanvir HUSSAIN
11. Zahoor IQBAL
12. Umar ISLAM
13. Hasan IZZ-AL-DIN
14. Parviz KHAN
15. Waheed Arafat KHAN
16. Osman Adam KHATIB
17. Musa Abu MARZOUK
18. Gulam MASTAFA
19. Khalid MISHAAL
20. Khalid Shaikh MOHAMMED
21. Ramzi MOHAMMED
22. Sultan MUHAMMAD
23. Yassin OMAR
24. Hussein OSMAN
25. Zana Abdul RAHIM
26. Muktar Mohammed SAID
27. Assad SARWAR
28. Ibrahim SAVANT
29. Abdul Reza SHAHLAI
30. Ali Gholam SHAKURI
31. Qasem SOLEIMANI
32. Waheed ZAMAN

ENTITIES

1. BASQUE FATHERLAND AND LIBERTY (ETA)
2. EJERCITO DE LIBERACION NACIONAL (ELN).
3. FUERZAS ARMADAS REVOLUCIONARIAS DE COLOMBIA (FARC)
4. HIZBALLAH MILITARY WING, INCLUDING EXTERNAL SECURITY ORGANISATION
5. HOLY LAND FOUNDATION FOR RELIEF AND DEVELOPMENT
6. POPULAR FRONT FOR THE LIBERATION OF PALESTINE - GENERAL COMMAND (PFLP-GC)
7. POPULAR FRONT FOR THE LIBERATION OF PALESTINE (PFLP)
8. SENDERO LUMINOSO (SL)

² For full listing details please refer to <http://www.hm-treasury.gov.uk/d/terrorism.htm>.

Annex II

Persons designated by the EU under Council Regulation (EC)2580/2001³

PERSONS

1. Hamed ABDOLLAHI*
2. Abdelkarim Hussein AL-NASSER*
3. Ibrahim Salih AL YACOUB*
4. Manssor ARBABSIAR*
5. Mohammed BOUYERI
6. Sofiane Yacine FAHAS
7. Hasan IZZ-AL-DIN*
8. Khalid Shaikh MOHAMMED*
9. Abdul Reza SHAHLAI*
10. Ali Gholam SHAKURI*
11. Qasem SOLEIMANI*
12. Jason Theodore WALTERS

GROUPS AND ENTITIES

1. Abu Nidal Organisation (ANO)
2. Al-Aqsa Martyrs' Brigade
3. Al-Aqsa e.V.
4. Al-Takfir and Al-Hijra
5. Babbar Khalsa
6. Communist Party of the Philippines, including New People's Army (NPA), Philippines
7. Gama'a al-Islamiyya (a.k.a. Al-Gama'a al-Islamiyya) (Islamic Group — IG)
8. İslami Büyük Doğu Akıncılar Cephesi (IBDA-C) (Great Islamic Eastern Warriors Front)
9. Hamas, including Hamas-Izz al-Din al-Qassem
10. Hizbul Mujahideen (HM)
11. Hofstadgroep
12. Holy Land Foundation for Relief and Development*
13. International Sikh Youth Federation (ISYF)
14. Khalistan Zindabad Force (KZF)
15. Kurdistan Workers Party (PKK) (a.k.a. KONGRA-GEL)
16. Liberation Tigers of Tamil Eelam (LTTE)
17. Ejército de Liberación Nacional (National Liberation Army)*
18. Palestinian Islamic Jihad (PIJ)
19. Popular Front for the Liberation of Palestine (PFLP)*
20. Popular Front for the Liberation of Palestine — General Command (PFLP-GC)*
21. Fuerzas armadas revolucionarias de Colombia (FARC)*
22. Devrimci Halk Kurtulu Partisi-Sephesi – DHKP/C (Revolutionary People's Liberation Army/Front/Party)
23. Sendero Luminoso (SL) (Shining Path)*
24. Stichting Al Aqsa
25. Teyrbazen Azadiya Kurdistan (TAK)

³ For full listing details please refer to <http://www.hm-treasury.gov.uk/d/terrorism.htm>

* EU listing rests on UK designation under TAFA 2010

ANNEX 3

Quarterly Review to 30 June 2012

Written Ministerial Statement

Operation of the UK's Counter-Terrorist Asset Freezing Regime: 1 April 2012 to 30 June 2012

The Commercial Secretary to the Treasury (Lord Sassoon): My honourable friend the Financial Secretary to the Treasury (Mark Hoban) has today made the following Written Ministerial Statement.

Under the Terrorist Asset-Freezing etc. Act 2010 ("TAFa 2010"), the Treasury is required to report quarterly to Parliament on its operation of the UK's asset freezing regime mandated by UN Security Council Resolution 1373.

This is the sixth report under the Act and it covers the period from 1 April to 30 June 2012. This report also covers the UK implementation of the UN Al-Qaida asset freezing regime and the operation of the EU asset freezing regime in the UK under the EU Regulation (EC) 2580/2001 which implements UNSCR 1373 against external terrorist threats to the EU. Under the latter regime, the EU has responsibility for designations and the Treasury has responsibility for licensing and compliance with the regime in the UK under Part 1 of TAFa 2010.

Annexes one and two to this statement provide a breakdown by name of all those designated by the UK and the EU in pursuance of UN Security Council Resolution 1373.

The following table sets out the key asset-freezing activity in the UK during the quarter ended 30 June 2012:

	TAFa 2010	EU Reg(EC) 2580/2001	Al-Qaida regime UNSCR 1989
Assets frozen (as at 30/06/2012)	£33,000	£11,000	£71,000 ¹
Number of accounts frozen in UK (at 30/06/12)	68	10	32
New accounts frozen	0	0	0
Accounts unfrozen	0	0	6
Number of designations (at 30/06/12)	40	37	325
(i) new designations (during Q2 2012)	0	0	1
(ii) Delistings	0	0	6
(iii) individuals in custody in UK	14	0	3
(iv) individuals in UK, not in detention	5	0	5

¹ This figure reflects the most up-to-date account balances available and includes approximately \$64,000 of suspected terrorist funds frozen in the UK. This has been converted using exchange rates as of 02/07/12.

(v) individuals overseas	13	12	257
(vi) groups	8 (0 in UK)	26 (1 in UK)	69 (2 in UK)
Individuals by nationality			
(i) UK Nationals ²	15	n/a	n/a
(ii) Non UK Nationals	17		
Renewal of designation	0	n/a	n/a
General Licences			
(i) Issued in Q2		(i) 0	
(ii) Amended		(ii) 0	
(iii) Revoked		(iii) 0	
Specific Licences:			
(i) Issued in Q2	(i) 5	(i) 0	(i) 1
(ii) Revoked	(ii) 0	(ii) 0	(ii) 0

There are no significant areas of activity to report on this quarter.

Legal Challenges

One legal challenge against designations made under both the Terrorism (United Nations Measures) Order 2009 and TAFA 2010 was ongoing in the quarter covered by this report. This was the appeal by Zana Abdul Rahim. There were no specific developments during the quarter in this case. An appeal was issued by Gulam Mastafa against his 2012 designation under TAFA 2012 and he was also given leave to appeal out of time against his 2011 designation. A damages claim was served by M, seeking payment of damages by the Treasury flowing from his designations under the Terrorism (United Nations Measures) Order 2006, which was quashed by the Supreme Court in R (on the application of Ahmed) v. HMT [2010] UKSC 2 and the Terrorism (United Nations Measures) Order 2009.

Proceedings

In the quarter to 30 June 2012, no proceedings were commenced involving the Treasury in respect of breaches of the prohibitions of the Act or the Al-Qaida (Asset-Freezing) Regulations 2011.

HM Treasury
13 July 2012

² Based on information held by the Treasury, some of these individuals hold dual nationality.

1 Designated persons under TAFE 2010 by name³

INDIVIDUALS

1. Hamed ABDOLLAHI
2. Bilal Talal ABDULLAH
3. Imad Khalil AL-ALAMI
4. Abdula Ahmed ALI
5. Abdelkarim Hussein AL-NASSER
6. Ibrahim Salih AL-YACOUB
7. Manssor ARBABSAR
8. Usama HAMDAN
9. Nabeel HUSSAIN
10. Tanvir HUSSAIN
11. Zahoor IQBAL
12. Umar ISLAM
13. Hasan IZZ-AL-DIN
14. Parviz KHAN
15. Waheed Arafat KHAN
16. Osman Adam KHATIB
17. Musa Abu MARZOUK
18. Gulam MASTAFA
19. Khalid MISHAAL
20. Khalid Shaikh MOHAMMED
21. Ramzi MOHAMMED
22. Sultan MUHAMMAD
23. Yassin OMAR
24. Hussein OSMAN
25. Zana Abdul RAHIM
26. Muktar Mohammed SAID
27. Assad SARWAR
28. Ibrahim SAVANT
29. Abdul Reza SHAHLAI
30. Ali Gholam SHAKURI
31. Qasem SOLEIMANI
32. Waheed ZAMAN

ENTITIES

1. BASQUE FATHERLAND AND LIBERTY (ETA)
2. EJERCITO DE LIBERACION NACIONAL (ELN).
3. FUERZAS ARMADAS REVOLUCIONARIAS DE COLOMBIA (FARC)
4. HIZBALLAH MILITARY WING, INCLUDING EXTERNAL SECURITY ORGANISATION
5. HOLY LAND FOUNDATION FOR RELIEF AND DEVELOPMENT
6. POPULAR FRONT FOR THE LIBERATION OF PALESTINE - GENERAL COMMAND (PFLP-GC)
7. POPULAR FRONT FOR THE LIBERATION OF PALESTINE (PFLP)
8. SENDERO LUMINOSO (SL)

³ For full listing details please refer to <http://www.hm-treasury.gov.uk/d/terrorism.htm>.

2 Persons designated by the EU under Council Regulation (EC)2580/2001⁴

PERSONS

1. Hamed ABDOLLAHI*
2. Abdelkarim Hussein AL-NASSER*
3. Ibrahim Salih AL YACOUB*
4. Manssor ARBABSIAR*
5. Mohammed BOUYERI
6. Sofiane Yacine FAHAS
7. Hasan IZZ-AL-DIN*
8. Khalid Shaikh MOHAMMED*
9. Abdul Reza SHAHLAI*
10. Ali Gholam SHAKURI*
11. Qasem SOLEIMANI*
12. Jason Theodore WALTERS

GROUPS AND ENTITIES

1. Abu Nidal Organisation (ANO)
2. Al-Aqsa Martyrs' Brigade
3. Al-Aqsa e.V.
4. Al-Takfir and Al-Hijra
5. Babbar Khalsa
6. Communist Party of the Philippines, including New People's Army (NPA), Philippines
7. Gama'a al-Islamiyya (a.k.a. Al-Gama'a al-Islamiyya) (Islamic Group — IG)
8. İslami Büyük Doğu Akıncılar Cephesi (IBDA-C) (Great Islamic Eastern Warriors Front)
9. Hamas, including Hamas-Izz al-Din al-Qassem
10. Hizbul Mujahideen (HM)
11. Hofstadgroep
12. Holy Land Foundation for Relief and Development*
13. International Sikh Youth Federation (ISYF)
14. Khalistan Zindabad Force (KZF)
15. Kurdistan Workers Party (PKK) (a.k.a. KONGRA-GEL)
16. Liberation Tigers of Tamil Eelam (LTTE)
17. Ejército de Liberación Nacional (National Liberation Army)*
18. Palestinian Islamic Jihad (PIJ)
19. Popular Front for the Liberation of Palestine (PFLP)*
20. Popular Front for the Liberation of Palestine — General Command (PFLP-GC)*
21. Fuerzas armadas revolucionarias de Colombia (FARC)*
22. Devrimci Halk Kurtulu Partisi-Sephesi – DHKP/C (Revolutionary People's Liberation Army/Front/Party)
23. Sendero Luminoso (SL) (Shining Path)*
24. Stichting Al Aqsa
25. Teyrbazen Azadiya Kurdistan (TAK)

⁴ For full listing details please refer to <http://www.hm-treasury.gov.uk/d/terrorism.htm>

* EU listing rests on UK designation under TAFA 2010

ANNEX 4

Quarterly Review to 30 September 2012

Written Ministerial Statement

Operation of the UK's Counter-Terrorist Asset Freezing Regime: 1 July 2012 to 30 September 2012

The Commercial Secretary to the Treasury (Lord Sassoon): My honourable friend the Financial Secretary to the Treasury (Greg Clark) has today made the following Written Ministerial Statement.

Under the Terrorist Asset-Freezing etc. Act 2010 ("TFAFA 2010"), the Treasury is required to report quarterly to Parliament on its operation of the UK's asset freezing regime mandated by UN Security Council Resolution (UNSCR) 1373.

This is the seventh report under TFAFA 2010 and it covers the period from 1 July 2012 to 30 September 2012. This report also covers the UK implementation of the UN Al-Qaida asset freezing regime and the operation of the EU asset freezing regime in the UK under EU Regulation (EC) 2580/2001 which implements UNSCR 1373 against external terrorist threats to the EU. Under the UN Al-Qaida asset freezing regime, the UN has responsibility for designations and the Treasury has responsibility for licensing and compliance with the regime in the UK under the Al Qaida (Asset-freezing) Regulations 2011. Under EU Regulation 2580/2001, the EU has responsibility for designations and the Treasury has responsibility for licensing and compliance with the regime in the UK under Part 1 of TFAFA 2010.

Annexes 1 and 2 to this statement provide a breakdown by name of all those designated by the UK and the EU in pursuance of UN Security Council Resolution 1373.

The following table sets out the key asset-freezing activity in the UK during the quarter ended 30 September 2012:

	TFAFA 2010	EU Reg(EC) 2580/2001	Al-Qaida regime UNSCR 1989
Assets frozen (as at 30/09/2012)	£29,000	£11,000	£65,000 ¹
Number of accounts frozen in UK (at 30/09/12)	68	10	24
New accounts frozen	0	0	0
Accounts unfrozen	0	0	9
Number of designations (at 30/09/12)	40	37	306
(i) new designations (during Q2 2012)	0	0	0

¹ This figure reflects the most up-to-date account balances available and includes approximately \$64,000 of suspected terrorist funds frozen in the UK. This has been converted using exchange rates as of 02/10/12.

(ii) delistings	0	0	18
(iii) individuals in custody in UK	14	0	3
(iv) individuals in UK, not in detention	5	0	3
(v) individuals overseas	13	12	232
(vi) groups	8 (0 in UK)	25 (1 in UK)	68(1 in UK)
Individuals by nationality			
(i) UK Nationals ²	15	n/a	n/a
(ii) Non UK Nationals	17		
Renewal of designation	0	n/a	n/a
General Licences			
(i) Issued in Q2		(i) 0	
(ii) Amended		(ii) 0	
(iii) Revoked		(iii) 0	
Specific Licences:			
(i) Issued in Q2	(i) 3	(i) 0	(i) 0
(ii) Revoked	(ii) 0	(ii) 0	(ii) 0

There are no significant areas of activity to report on this quarter.

Legal Proceedings

Appeals against designations made under the Terrorism (United Nations Measures) Order 2009 and TAFA 2010 were ongoing in the quarter covered by this report, brought by Zana Abdul RAHIM and Gulam MASTAFA. MASTAFA's case has been listed for a preliminary hearing on 28 November 2012. A claim for damages arising from the designation of another individual, known as "M" for the purpose of these proceedings, issued against the Treasury is also on-going.

In the quarter to 30 September 2012, no criminal proceedings were initiated in respect of breaches of asset freezes made under the Act or under the Al-Qaida (Asset-Freezing) Regulations 2011.

HM Treasury

24 October 2012

² Based on information held by the Treasury, some of these individuals hold dual nationality.

Annex I

Designated persons under TAFE 2010 by name³

INDIVIDUALS

1. Hamed ABDOLLAHI
2. Bilal Talal ABDULLAH
3. Imad Khalil AL-ALAMI
4. Abdula Ahmed ALI
5. Abdelkarim Hussein AL-NASSER
6. Ibrahim Salih AL-YACOUB
7. Manssor ARBABSIAR
8. Usama HAMDAN
9. Nabeel HUSSAIN
10. Tanvir HUSSAIN
11. Zahoor IQBAL
12. Umar ISLAM
13. Hasan IZZ-AL-DIN
14. Parviz KHAN
15. Waheed Arafat KHAN
16. Osman Adam KHATIB
17. Musa Abu MARZOUK
18. Gulam MASTAFA
19. Khalid MISHAAL
20. Khalid Shaikh MOHAMMED
21. Ramzi MOHAMMED
22. Sultan MUHAMMAD
23. Yassin OMAR
24. Hussein OSMAN
25. Zana Abdul RAHIM
26. Muktar Mohammed SAID
27. Assad SARWAR
28. Ibrahim SAVANT
29. Abdul Reza SHAHLAI
30. Ali Gholam SHAKURI
31. Qasem SOLEIMANI
32. Waheed ZAMAN

ENTITIES

1. BASQUE FATHERLAND AND LIBERTY (ETA)
2. EJERCITO DE LIBERACION NACIONAL (ELN).
3. FUERZAS ARMADAS REVOLUCIONARIAS DE COLOMBIA (FARC)
4. HIZBALLAH MILITARY WING, INCLUDING EXTERNAL SECURITY ORGANISATION
5. HOLY LAND FOUNDATION FOR RELIEF AND DEVELOPMENT
6. POPULAR FRONT FOR THE LIBERATION OF PALESTINE – GENERAL COMMAND (PFLP-GC)
7. POPULAR FRONT FOR THE LIBERATION OF PALESTINE (PFLP)
8. SENDERO LUMINOSO (SL)

³ For full listing details please refer to <http://www.hm-treasury.gov.uk/d/terrorism.htm>.

Annex II

Persons designated by the EU under Council Regulation (EC) 2580/2001⁴

PERSONS

1. Hamed ABDOLLAHI*
2. Abdelkarim Hussein AL-NASSER*
3. Ibrahim Salih AL YACOUB*
4. Manssor ARBABSIAR*
5. Mohammed BOUYERI
6. Sofiane Yacine FAHAS
7. Hasan IZZ-AL-DIN*
8. Khalid Shaikh MOHAMMED*
9. Abdul Reza SHAHLAI*
10. Ali Gholam SHAKURI*
11. Qasem SOLEIMANI*
12. Jason Theodore WALTERS

GROUPS AND ENTITIES

1. Abu Nidal Organisation (ANO)
2. Al-Aqsa Martyrs' Brigade
3. Al-Aqsa e.V.
4. Al-Takfir and Al-Hijra
5. Babbar Khalsa
6. Communist Party of the Philippines, including New People's Army (NPA), Philippines
7. Gama'a al-Islamiyya (a.k.a. Al-Gama'a al-Islamiyya) (Islamic Group — IG)
8. İslami Büyük Doğu Akıncılar Cephesi (IBDA-C) (Great Islamic Eastern Warriors Front)
9. Hamas, including Hamas-Izz al-Din al-Qassem
10. Hizbul Mujahideen (HM)
11. Hofstadgroep
12. Holy Land Foundation for Relief and Development*
13. International Sikh Youth Federation (ISYF)
14. Khalistan Zindabad Force (KZF)
15. Kurdistan Workers Party (PKK) (a.k.a. KONGRA-GEL)
16. Liberation Tigers of Tamil Eelam (LTTE)
17. Ejército de Liberación Nacional (National Liberation Army)*
18. Palestinian Islamic Jihad (PIJ)
19. Popular Front for the Liberation of Palestine (PFLP)*
20. Popular Front for the Liberation of Palestine — General Command (PFLP-GC)*
21. Fuerzas armadas revolucionarias de Colombia (FARC)*
22. Devrimci Halk Kurtulu Partisi-Sephesi – DHKP/C (Revolutionary People's Liberation Army/Front/Party)
23. Sendero Luminoso (SL) (Shining Path)*
24. Stichting Al Aqsa
25. Teyrbazen Azadiya Kurdistan (TAK)

⁴ For full listing details please refer to <http://www.hm-treasury.gov.uk/d/terrorism.htm>

* EU listing rests on UK designation under TAFA 2010

ANNEX 5

EU list as of 30 September 2012

A list of those designated at the end of the period under review under the Tafa 2010 Section 1(b) – taken from the Council Implementing Regulation 1375/2011 as amended by Council Implementing Regulation 213/2012

1. PERSONS

1. ABDOLLAHI Hamed (a.k.a Mustafa Abdullahi), born August 11, 1960 in Iran. Passport: D9004878.
2. AL-NASSER, Abdelkarim Hussein Mohamed, born in Al Ihsa (Saudi Arabia), citizen of Saudi Arabia
3. AL YACOUB, Ibrahim Salih Mohammed, born 16.10.1966 in Tarut (Saudi Arabia), citizen of Saudi Arabia
4. ARBABSAR Manssor (a.k.a. Mansour Arbabsar), born March 6 or 15, 1955 in Iran. Iranian and US national. Passport: C2002515 (Iran); Passport: 477845448 (USA). National ID no.: 07442833, expiry date 15 March 2016 (USA driving licence).
5. BOUYERI, Mohammed (a.k.a. Abu ZUBAIR, a.k.a. SOBIAR, a.k.a. Abu ZOUBAIR), born 8.3.1978 in Amsterdam (The Netherlands) – member of the "Hofstadgroep"
6. FAHAS, Sofiane Yacine, born 10.9.1971 in Algiers (Algeria) – member of "al-Takfir" and "al-Hijra"
7. IZZ-AL-DIN, Hasan (a.k.a GARBAYA, Ahmed, a.k.a. SA-ID, a.k.a. SALWWAN, Samir), Lebanon, born 1963 in Lebanon, citizen of Lebanon
8. MOHAMMED, Khalid Shaikh (a.k.a. ALI, Salem, a.k.a. BIN KHALID, Fahd Bin Adballah, a.k.a. HENIN, Ashraf Refaat Nabith, a.k.a. WADOOD, Khalid Abdul), born 14.4.1965 or 1.3.1964 in Pakistan, passport No 488555
9. SHAHLAI Abdul Reza (a.k.a Abdol Reza Shala'i, a.k.a. Abd-al Reza Shalai, a.k.a. Abdorreza Shahlai, a.k.a. Abdolreza Shahlai, a.k.a. Abdul-Reza Shahlaee, a.k.a. Hajj Yusef, a.k.a. Haji Yusif, a.k.a. Hajji Yasir, a.k.a. Hajji Yusif, a.k.a. Yusuf Abu-al-Karkh), born circa 1957 in Iran. Addresses: (1) Kermanshah, Iran, (2) Mehran Military Base, Ilam Province, Iran. EN L 343/12 Official Journal of the European Union 23.12.2011
10. SHAKURI Ali Gholam, born circa 1965 in Tehran, Iran
11. SOLEIMANI Qasem (a.k.a Ghasem Soleymani, a.k.a Qasmi Sulayman, a.k.a Qasem Soleymani, a.k.a Qasem Solaimani, a.k.a Qasem Salimani, a.k.a Qasem Solemani, a.k.a Qasem Sulaimani, a.k.a Qasem Sulemani), born March 11, 1957 in Iran. Iranian national. Passport: 008827 (Iran Diplomatic), issued 1999. Title: Major General.
12. WALTERS, Jason Theodore James (a.k.a. Abdullah, a.k.a. David), born 6.3.1985 in Amersfoort (The Netherlands), passport (The Netherlands) No. NE8146378 – member of the "Hofstadgroep"

2. GROUPS AND ENTITIES

1. "Abu Nidal Organisation" – "ANO" (a.k.a. "Fatah Revolutionary Council", a.k.a. "Arab Revolutionary Brigades", a.k.a. "Black September", a.k.a. "Revolutionary Organisation of Socialist Muslims")
2. "Al-Aqsa Martyrs' Brigade"
3. "Al-Aqsa e.V."

4. "Al-Takfir" and "Al-Hijra"
5. "Babbar Khalsa"
6. "Communist Party of the Philippines", including "New People's Army" – "NPA", Philippines
7. "Gama'a al-Islamiyya" (a.k.a. "Al-Gama'a al-Islamiyya") ("Islamic Group" – "IG")
8. "İslami Büyük Doğu Akıncılar Cephesi" – "IBDA-C" ("Great Islamic Eastern Warriors Front")
9. " Hamas", including " Hamas-Izz al-Din al-Qassem"
10. "Hizbul Mujahideen" – "HM"
11. "Hofstadgroep"
12. "Holy Land Foundation for Relief and Development"
13. "International Sikh Youth Federation" – "ISYF"
14. "Khalistan Zindabad Force" – "KZF"
15. "Kurdistan Workers' Party" – "PKK", (a.k.a. "KADEK", a.k.a. "KONGRA-GEL")
16. "Liberation Tigers of Tamil Eelam" – "LTTE"
17. "Ejército de Liberación Nacional" ("National Liberation Army")
18. "Palestinian Islamic Jihad" – "PIJ"
19. "Popular Front for the Liberation of Palestine" – "PFLP"
20. "Popular Front for the Liberation of Palestine – General Command" (a.k.a. "PFLP – General Command")
21. "Fuerzas armadas revolucionarias de Colombia" – "FARC" ("Revolutionary Armed Forces of Colombia")
22. "Devrimci Halk Kurtuluş Partisi-Cephesi" – "DHKP/C" (a.k.a. "Devrimci Sol" ("Revolutionary Left"), a.k.a. "Dev Sol") ("Revolutionary People's Liberation Army/Front/Party")
23. "Sendero Luminoso" – "SL" ("Shining Path")
24. "Stichting Al Aqsa" (a.k.a. "Stichting Al Aqsa Nederland", a.k.a. "Al Aqsa Nederland")
25. "Teyrbazen Azadiya Kurdistan" – "TAK" (a.k.a. "Kurdistan Freedom Falcons", a.k.a. "Kurdistan Freedom Hawks")

ANNEX 6

Designation Policy Statement, February 2012

Policy Statement on Designation – Factors taken into account in making a final designation under the Terrorist Asset-Freezing etc. Act 2010

Under the Terrorist Asset-Freezing etc. Act 2010, the Treasury may make a “final” asset freeze designation in respect of a person only if the statutory requirements set out in section 2 of the Act are met. A final designation lasts for a year unless revoked earlier or renewed before the end of the year.

Under section 4(2), the Treasury may renew a final designation at any time before it expires if the requirements in section 2 continue to be met.

Reasonable belief of terrorist activity requirement

The first requirement is that the Treasury reasonably believe at least one of the conditions set out in section 2(1)(a) of the Act is met, i.e. that—

- i. the person is or has been involved in terrorist activity, or
- ii. the person is owned or controlled directly or indirectly by a person within sub-paragraph (i), or
- iii. the person is acting on behalf of or at the direction of a person within sub-paragraph (i).

For the purpose of section 2(1)(a), involvement in terrorist activity is any one or more of the following:

- i. the commission, preparation or instigation of acts of terrorism;
- ii. conduct that facilitates the commission, preparation or instigation of such acts, or that is intended to do so; or
- iii. conduct that gives support or assistance to persons who are known or believed by the person concerned to be involved in conduct falling within (i) or (ii) above.

“Terrorism” is defined in section 1 of the Terrorism Act 2000.

In deciding whether the reasonable belief test is met, the Treasury considers the reliability of the information which indicates that a person may have engaged in terrorist activity.

Where a person has been convicted of a terrorist offence in the United Kingdom, the evidence of their involvement in terrorist activity will have met the criminal standard of proof “beyond reasonable doubt” and will, therefore, also meet the reasonable belief requirement in section 2(1)(a) of the Act.

Public protection requirement

Section 2(1)(b) of the 2010 Act requires that the Treasury also consider whether it is necessary for purposes connected with protecting members of the public from terrorism that

financial restrictions should be applied in relation to the person. The public protection requirement is not limited to protecting members of the public in the United Kingdom.

There is a wide range of factors that the Treasury takes into account in deciding whether the necessity test is met depending on the case. These include:

- The nature and extent of the person's terrorist activity;
- In the case of overseas groups or individuals, the terrorist threat posed to UK citizens and others overseas;
- Whether the person continues to be involved, or might re-engage, in terrorist activity;
- The impact of an asset freeze in limiting a person's access to their own or others' funds in the UK, including funds passed to them by third parties, and in denying them access to the UK financial system;
- The need for an asset freeze in light of other restrictions placed on the person;
- The UK's broader counter-terrorism agenda, including the Government's counter-terrorism programme "PREVENT"; and
- The need to maintain counter-terrorism relationships with other countries.

Exercise of discretion

If both parts of the statutory test are met, the Treasury also considers whether an asset freeze is proportionate in each case, taking account of the impact on the person's business or private life, other restrictions that may be in place upon the person and whether any other counter-terrorism measure offers the same protection to the public as an asset freeze, balanced against the legislative objective of protecting members of the public from terrorism.

Before making a designation decision, the Treasury will seek out and consider advice from relevant departments and agencies.

HM Treasury contacts

This document can be found in full on our website: <http://www.hm-treasury.gov.uk>

If you require this information in another language, format or have general enquiries about HM Treasury and its work, contact:

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