

**TERRORIST ASSETS REPORT**  
**Calendar Year 2003**  
**Twelfth 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 terrorism-supporting governments represents a wide-ranging assault on international terrorism, its supporters and financiers.

The lead agency for the blocking of assets of international terrorist organizations and terrorism-supporting countries is the Department of the Treasury's Office of Foreign Assets Control (OFAC). Since 1995, OFAC has administered three sanctions programs targeting international terrorists and terrorist organizations. OFAC also administers seven sanctions programs targeting terrorism-supporting governments and regimes.

Implementation of programs targeting international terrorist organizations has resulted in the blocking of approximately \$6 million in assets in the United States in which there exists an interest of an international terrorist organization or other related designated party.<sup>1</sup> Almost \$2 billion in assets of the seven designated state sponsors of terrorism are located within U.S. jurisdiction.<sup>2</sup> Of that amount, more than \$1.5 billion are blocked pursuant to economic sanctions imposed by the United States. Unless otherwise noted, this report provides data for the calendar year ending December 31, 2003.

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<sup>1</sup> This figure does not include amounts under review or investigation.

<sup>2</sup> 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 terrorism-supporting 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 2003, is the twelfth 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.

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**

**Federal Bureau of Investigation**

**Internal Revenue Service**

**Department of Defense**

**Intelligence Community**

**Office of Foreign Assets Control**

**Drug Enforcement Administration**

**National Drug Intelligence Center**

**Department of Homeland Security (U.S. Customs and Border Protection)**

**Department of Homeland Security (U.S. Secret Service)**

**Department of the Treasury's Office of International Affairs**

**Bureau of Alcohol, Tobacco and Firearms**

**Department of the Treasury's Financial Crimes Enforcement Network**

**Department of the Treasury's Office of General Counsel**

**Board of Governors of the Federal Reserve System**

It should be noted that, with the exceptions of the assets of Iran and Syria which are not subject to a blocking program, the amounts reported below for all organizations and countries 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 its behalf) 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 of 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 for which sovereign immunity of foreign states is waived by 28 U.S.C. 1605 (a)(7) (certain claims for personal injury or death).<sup>3</sup>

## **PART I -- ASSETS OF INTERNATIONAL TERRORIST ORGANIZATIONS**

For purposes of this report, the Department of the 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), "Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism" (Tab 1). 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

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<sup>3</sup> 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.

and the United States. The terrorist acts of September 11, 2001, were also recognized and condemned in United Nations Security Council Resolutions (UNSCR) 1368, 1373 and 1390 of September 12, 2001, September 28, 2001 and January 28, 2002, 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 person, i.e., an individual or entity 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, the Attorney General, and the Secretary of Homeland Security, has identified 44 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, the Attorney General, and the Secretary of Homeland Security, has designated 272 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. As of December 31, 2003, a total of 345 individuals and entities have been identified or designated as "Specially Designated Global Terrorists" or "SDGTs" (Tab 2).<sup>4</sup>

### **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 (EO 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 person. Twelve Middle East terrorist organizations were named in the Annex to EO 12947.<sup>5</sup> The order also applies to persons determined by the Secretary of the

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<sup>4</sup> The 345 SDGTs designated pursuant to EO 13224 include the 36 Foreign Terrorist Organizations (FTOs) designated by the Secretary of State pursuant to the Antiterrorism Act of 1996. See page 5.

<sup>5</sup> **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

Treasury, in coordination with the Secretary of State and the Attorney General, to be owned or controlled by, or to act for or on behalf of, any designated person. 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 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).<sup>6</sup>

On August 20, 1998, President Clinton issued Executive Order 13099 (EO 13099), "Prohibiting Transactions With Terrorists Who Threaten To Disrupt the Middle East Peace Process" (Tab 5), to amend EO 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.) EO 13099 was issued under the same authority as EO 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 Secretary of the Treasury and the Attorney General, 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.

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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).

<sup>6</sup> **Tab 4** --See 60 *Federal Register* 5084, January 25, 1995. This *Federal Register* Notice of the Specially Designated Terrorists List included the 12 organizations named in EO 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), and that of the Al-Aqsa Martyrs Brigade in the *Federal Register* on March 27, 2002 (67 *Federal Register* 14761)(Tab 4).

Additionally, except as authorized by the Department of the Treasury, 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 Department of the Treasury.

Pursuant to the Antiterrorism Act of 1996, on October 2, 2003, 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 Secretary of State designated a total of eleven additional organizations as FTOs on September 25, 2000 (re-designated September 25, 2002), May 16, 2001 (re-designated May 13, 2003), September 10, 2001 (re-designated September 10, 2003), December 26, 2001 (re-designated December 23, 2003), March 27, 2002, August 9, 2002, October 23, 2002, December 3, 2002, and January 30, 2003. (Tab 8). The 36 FTOs include 12 of the 13 Middle East terrorist organizations previously designated under EOs 12947, and 13099 and 24 other foreign organizations located in South America, Europe, Asia, and Africa.

### **Summary of Blocked Assets of International Terrorist Organizations**

Currently, assets blocked by OFAC under terrorism EOs 12947, 13099, and 13224 total \$5,991,931. 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.<sup>7</sup> 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. The values of these assets are not included in the total below. Further, the TRIA permits the use of blocked assets to satisfy certain judgments for compensatory damage.<sup>8</sup> Finally, fluctuation has occurred in the value of blocked assets due to the authorized withdrawal of blocked funds to pay the costs of legal defense, and in some cases basic maintenance expenses, for U.S. citizens and juridical persons designated as SDGTs or whose assets have been blocked in aid of investigation.<sup>9</sup>

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<sup>7</sup> Executive Order 13129 (EO 13129) (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 **or came** 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 Usama bin Ladin and al-Qaida 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 because the U.S. military campaign in Afghanistan ended the Taliban's territorial control. The Taliban and its leader, Mohammed Omar, were added to the Annex to EO 13224 pursuant to EO 13268. Accordingly, the remaining blocked assets of the Taliban and its leader have been incorporated into the above section of this report dealing with SDGTs. 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.

<sup>8</sup> See footnote number 3.

<sup>9</sup> The power to block assets in aid of investigation, was exercised in several instances with respect to terrorist groups targeted pursuant to EO 13224.

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

Exhibit A

**Blocked Assets in the United States under the SDGT, SDT and FTO<sup>10</sup> Programs**

<b>ORGANIZATION/RELATED DESIGNEES</b>	<b>AMOUNT</b>
AL-QAIDA	\$ 771,956
HAMAS	\$ 5,196,634
PALESTINIAN ISLAMIC JIHAD	\$ 17,746
KAHANE CHAI	\$ 201
TALIBAN	\$ 5,394
<b>Total assets of SDGTs, SDTs, and FTOs</b>	<b>\$ 5,991,931</b>

**PART II -- ASSETS OF STATE SPONSORS OF TERRORISM<sup>11</sup>**

"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.<sup>12</sup> Assets of the Government of Syria are not subject to a blocking program, 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 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 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 pursuant to section 6(j) are the same as those listed pursuant to section 40(d).

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<sup>10</sup> To date, no assets have been blocked pursuant to the Antiterrorism Act of 1996. 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 36 FTOs.

<sup>11</sup> See footnote number 2.

<sup>12</sup> Presidential Determination No. 2003-23 of May 7, 2003, based, *inter alia*, on section 1503 of the Emergency Wartime Supplemental Act 2003, Public Law 108-111, made inapplicable with respect to Iraq all provisions of U.S. law that apply to countries that have supported terrorism. (Tab 11)

The following information describes the nature and extent of assets held in the United States or in offshore branches or subsidiaries of U.S. banks<sup>13</sup> (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 amounts of reported U.S.-based assets attributed to them are (in millions of U.S. dollars): Cuba<sup>14</sup> - \$143.4; Iran - \$138.0; Iraq - \$61.3<sup>15</sup>; Libya - \$1247.9; North Korea - \$31.5; Sudan - \$28.3; and Syria - \$85, for a total of \$1.735 billion.

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 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 Department of the Treasury's reporting systems on U.S. international capital movements and portfolio

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<sup>13</sup> See footnote number 2.

<sup>14</sup> 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 on claims 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: (1) from appropriated funds 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; and (2) 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

<sup>15</sup> On March 20, 2003, the President issued Executive Order 13290 (EO 13290), "Confiscating and Vesting Certain Iraqi Property" (**Tab 12**). The order vested in the United States Department of the Treasury all funds in the United States held in the names of the Government of Iraq, the Central Bank of Iraq, Rasheed Bank, Rafidain Bank, or the State Organization for Marketing Oil. All U.S. financial institutions holding funds in the name of the four entities were ordered to transfer those funds to the Federal Reserve Bank of New York ("FRBNY"). Iraqi assets in the United States totaling \$1,916,362,056.49 were vested and transferred to the FRBNY under EO 13290. (This amount includes repayment of blocked Iraqi assets loaned to the United Nations in compliance with UNSCR 778.)

On August 28, 2003, the President issued Executive Order 13315 (EO 13315), "Blocking Property of the Former Iraqi Regime, Its Senior Officials and Their Family Members, and Taking Certain Other Actions" (**Tab 13**). To date, Iraqi assets in the United States totaling an additional \$15,301,967 have been vested and transferred to the FRBNY under EO 13315.

investment. These systems are designed primarily to collect information concerning the U.S. balance of payments and international investment positions. The information provided to the Department of the Treasury through 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 June 30, 2002 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.

Not all of the blocked assets of state sponsors of terrorism within U.S. jurisdiction 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.

Exhibit B

**Assets of State Sponsors of Terrorism**<sup>16</sup>  
(Amounts in millions of U.S. dollars)

Country	Amount	Explanation
<b>CUBA</b>	<b>\$143.4</b>	Blocked Government of Cuba assets. Does not include blocked assets of individual Cuban nationals. Primarily bank accounts. Source: OFAC, Department of the Treasury.
	<b>\$143.4</b>	<b><i>Net Blocked Cuban Assets in U.S.</i></b>
<b>IRAN</b>	<b>\$ 23.2</b>	Government of Iran's properties remaining blocked since the 1979-81 hostage crisis. Primarily diplomatic real estate. Source: OFAC, Department of the Treasury. (See discussion in Part II above.)
	<b>\$ 74.8</b>	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, 2003), Federal Reserve System (as of September 30, 2003), and OFAC, Department of the Treasury (as of January, 2004).
	<b>\$ 40.0</b> <sup>17</sup>	Total U.S. long-term securities held domestically and offshore by Iranian individuals and entities. Source: The Department of the Treasury's Survey of Foreign Portfolio Investment in the U.S. (as of June 30, 2002).
	<b>\$138.0</b>	<b><i>Net Iranian Assets</i></b>

<sup>16</sup> See footnote number 2.

<sup>17</sup> The value may have changed significantly since June 2002. (See discussion in Part II.)

IRAQ	\$ 309.5	Iraqi assets remaining blocked following the vesting of certain Iraqi property. Primarily tangible property and bank deposits. Source: OFAC, Department of the Treasury. (See discussion in Part II above.)
	(\$ 248.2)	(Blocked in U.S. banks' foreign branches. These assets are under the jurisdiction of the foreign locality in which they are held. UNSCR 1483 requires their transfer to the Development Fund for Iraq.)
	\$ 61.3	<b><i>Net Blocked Iraqi Assets in U.S.</i></b>
LIBYA	\$1253.3	Libyan blocked assets. Third-party interests exist in a substantial portion of these assets. Primarily bank deposits. Source: OFAC, Department of the Treasury.
	(\$ 5.4)	(Blocked in U.S. banks' foreign branches.)
	\$1247.9	<b><i>Net Blocked Libyan Assets in U.S.</i></b>
NORTH KOREA	\$ 31.8	North Korean blocked bank deposits. Primarily third-party assets in which North Korea has some interest. Source: OFAC, Department of the Treasury.
	(\$ 0.3)	(Blocked in U.S. banks' foreign branches or subsidiaries.)
	\$31.5	<b><i>Net Blocked North Korean Assets in U.S.</i></b>
SUDAN	\$28.4	Sudanese blocked bank deposits. Source: OFAC, Department of the Treasury.
	(\$ 0.1)	(Blocked in U.S. banks' foreign branches.)
	\$28.3	<b><i>Net Blocked Sudanese Assets in U.S.</i></b>
SYRIA	\$65.0	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, 2003) and the Federal Reserve System (as of September 30, 2003).

**\$20.0<sup>18</sup>**

Total U.S. long-term securities held domestically and offshore by Syrian individuals and entities. Source: Department of the Treasury Survey of Foreign Portfolio Investment in the U.S. as of June 30, 2002.

**\$85.0**

***Net Syrian Assets***

**TOTALS:**

**\$1741.23**

**Total terrorist country assets within U.S. jurisdiction.<sup>19</sup>**

**(\$199.83)**

**(Nonblocked assets of Syrian and Iranian individuals and entities.)**

**\$1541.4**

**Total blocked terrorist country assets within U.S. jurisdiction.**

**(\$254.0)**

**(Total blocked in U.S. banks' foreign branches.)**

**\$1287.4**

***Total blocked terrorist country assets within the United States.***

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<sup>18</sup> The value may have changed significantly since June 2002. (See discussion in Part IV.)

<sup>19</sup> 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 10-13 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 24, 2003. (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* 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." (68 *Federal Register* 56860, October 2, 2003); Notices adding FTO names: 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; 67 *Federal Register* 72017, December 3, 2002 (adding aliases); 68 *Federal Register* 4811, January 30, 2003; 68 *Federal Register* 24531, May 7, 2003 (adding

aliases); 68 Federal Register 25672, May 13, 2003 (redesignation); 68 Federal Register 48984, August 15, 2003 (adding aliases); 68 Federal Register 53420, September 10, 2003 (redesignation); 68 Federal Register 74282, December 23, 2003 (redesignation).

- 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.)
- Tab 11. Presidential Determination No. 2003-23 of May 7, 2003 – "Suspending the Iraq Sanctions Act, Making Inapplicable Certain Statutory Provisions Related to Iraq, and Delegating Authorities, under the Emergency Wartime Supplemental Appropriations Act, 2003" (68 Federal Register 26459, May 16, 2003.)
- Tab 12. Executive Order 13290 – "Confiscating and Vesting Certain Iraqi Property", March 20, 2003. (68 Federal Register 52315, March 24, 2003.)
- Tab 13. Executive Order 13315 – "Blocking Property of the Former Iraqi Regime, Its Senior Officials and Their Family Members, and Taking Certain Other Actions", August 28, 2003. (68 Federal Register 52315, September 3, 2003.)