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Latin America: Terrorism Issues

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August 11, 2015

Congressional Research Service

7-....

www.crs.gov

RS21049

Summary

U.S. attention to terrorism in Latin America intensified in the aftermath of the September 2001 terrorist attacks on New York and Washington, with an increase in bilateral and regional antiterrorism cooperation. Compared to other parts of the world, the potential threat emanating from terrorism is low in most countries in Latin America. Most terrorist acts occur in the Andean region of South America, committed by two Colombian guerrilla groups—the Revolutionary Armed Forces of Colombia (FARC) and the National Liberation Army (ELN)—and one Peruvian guerrilla group, the Shining Path (SL). All three of these groups have been designated by the State Department as Foreign Terrorist Organizations (FTOs). For a number of years, there also has been U.S. concern about Iran’s increasing activities in the region as well as Hezbollah, the radical Lebanon-based Islamic group with close ties to Iran. Both are reported to be linked to the 1994 bombing of the Argentine-Israeli Mutual Association (AMIA) that killed 85 people in Buenos Aires.

The United States employs various policy tools to counter terrorism in the region, including sanctions, antiterrorism assistance and training, law enforcement cooperation, and multilateral cooperation through the Organization of American States. In addition to sanctions against U.S.-designated FTOs in the region, the United States has imposed an arms embargo on Venezuela since 2006 because it has been determined by the Department of State to not be fully cooperating with U.S. antiterrorism efforts. The United States has also imposed sanctions on several current and former Venezuelan officials for assisting the FARC, on several Venezuelan companies for their connections to Iran, and on individuals and companies in Latin America for providing support to Hezbollah. Cuba had been on the State Department’s so-called list of state sponsors of terrorism since 1982, but in May 2015, the Administration rescinded Cuba’s designation as part of its overall policy shift on Cuba.

Legislative Initiatives and Oversight

Over the past several years, Congress has introduced legislation and held oversight hearings pertaining to terrorism issues in the Western Hemisphere. The 112th Congress enacted the Countering Iran in the Western Hemisphere Act of 2012 (P.L. 112-220) in December 2012, which required the Administration within 180 days to conduct an assessment and present “a strategy to address Iran’s growing hostile presence and activity in the Western Hemisphere.”

The 114th Congress has continued its oversight of terrorism concerns in the Western Hemisphere, including the activities of Iran and Hezbollah, with a House hearing held in March 2015. With regard to legislative initiatives, S.Res. 167 (Rubio), introduced in May 2015, would express concern about Iran’s activities in the Western Hemisphere, call for a swift, transparent, and internationally backed investigation into the tragic death in January 2015 of the AMIA special prosecutor in Argentina, and urge the President to continue to monitor Iran’s activities in Latin America and the Caribbean.

Congress did not take any action to block the Administration’s rescission of Cuba’s designation as a state sponsor of terrorism. Introduced in January 2015 before the rescission, H.R. 274 (Rush) would have rescinded any determination of the Secretary of State that Cuba has provided support for acts of international terrorism. H.Res. 181 (King), introduced in March 2015, would call for the immediate extradition or rendering to the United States of all fugitives from justice who are receiving safe harbor in Cuba in order to escape prosecution or confinement for criminal offenses in the United States. For a number of years, the State Department has noted in its annual terrorism report Cuba’s harboring of fugitives wanted in the United States.

Latin America: Terrorism Issues

Developments in 2015.....	1
Terrorism in Latin America: U.S. Concerns	2
Colombia.....	3
Colombian FTOs in Neighboring Countries	5
Cuba	8
Mexico	11
Peru	12
Venezuela	13
Iran’s Activities in Latin America	14
Background on Iran in Latin America.....	15
AMIA Bombing Investigation and Death of Alberto Nisman	19
U.S. Policy.....	21
Policy Related to Iran and Hezbollah in Latin America.....	21
U.S. Sanctions	23
Venezuela and FARC-Related Sanctions	24
Venezuela and Iran-Related Sanctions.....	25
Hezbollah-Related Sanctions	25
U.S. Assistance and Other Support	27
Increased Regional Cooperation Since 9/11.....	28
Legislative Initiatives and Oversight.....	29
Conclusion.....	30

Figures

Figure 1. Colombia and Neighboring Countries	7
Figure 2. Tri-Border Area of Argentina, Brazil, and Paraguay.....	19

Contacts

Author Contact Information	31
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Developments in 2015

On June 18, 2015, the Department of State released its *Country Reports on Terrorism 2014*. Noting that terrorist groups do not affect the region to the degree that they do in other parts of the world, the report maintained that the majority of terrorist attacks in the Western Hemisphere were committed by two Colombian terrorist groups, the Revolutionary Armed Forces of Colombia and the National Liberation Army. (See the report available at <http://www.state.gov/j/ct/rls/crt/2014/index.htm>.)

On May 29, 2015, Secretary of State John Kerry rescinded Cuba's designation as a state sponsor of international terrorism. President Obama had submitted a report to Congress on April 14 justifying Cuba's rescission pursuant to the process set forth in three terrorist-list provisions of law. Congress took no action to block the rescission, paving the way for the rescission to take place 45 days later. (See section on "Cuba" below.)

On May 11, 2015, Secretary of State John Kerry issued an annual determination and certification, pursuant to Section 40A of the Arms Export Control Act, that Venezuela (as well as Eritrea, Iran, North Korea, and Syria) "are not cooperating fully with United States antiterrorism efforts." Cuba had been designated annually since 1997 but was not included on this year's list. (See sections on "Venezuela" and "Cuba" below.)

On March 19-20, 2015, the Inter-American Committee on Terrorism (CICTE) of the Organization of American States held its 15th regular session in Washington, DC. Members adopted a declaration on "Protection of Critical Infrastructure from Emerging Threats." (See "Increased Regional Cooperation Since 9/11" below.)

On March 18, 2015, two subcommittees of the House Committee on Foreign Affairs—the Subcommittee on the Middle East and North Africa and the Subcommittee on the Western Hemisphere—held a joint oversight hearing on Iran and Hezbollah in the Western Hemisphere with private witnesses. (See the transcript and testimony of the hearing available at <http://foreignaffairs.house.gov/hearing/joint-subcommittee-hearing-iran-and-hezbollah-western-hemisphere>.)

On March 12, 2015, General John F. Kelly presented the 2015 posture statement of the U.S. Southern Command (SOUTHCOM) to the Senate Armed Services Committee. General Kelly maintained that "as the foremost state sponsor of terrorism, Iran's involvement in the region ... is a matter for concern, and its diplomatic, economic, and political engagement is closely monitored." Kelly also maintained in his testimony that "Islamic extremist ... organizations are not very well entrenched" in the region and that he did not "see any direct terrorist threat right now." (See "Policy Related to Iran and Hezbollah in Latin America" below.)

On January 18, 2015, Alberto Nisman—the special prosecutor in the investigation of the 1994 Argentine-Israeli Mutual Association (AMIA) bombing that killed 85 people—was found dead in his apartment from a gunshot wound. Four days earlier, Nisman had made accusations that Argentine President Cristina Fernández de Kirchner and other government officials had attempted to whitewash the AMIA investigation in order to improve relations with Iran. (See "AMIA Bombing Investigation and Death of Alberto Nisman" below.)

Terrorism in Latin America: U.S. Concerns

Over the years, the United States has been concerned about threats to Latin American and Caribbean nations from various terrorist or insurgent groups that have attempted to influence or overthrow elected governments. Although Latin America has not been the focal point in efforts to deter global terrorism, some countries in the region have struggled with domestic terrorism for decades, and international terrorist groups have at times used the region as a battleground to advance their causes.

The State Department's annual *Country Reports on Terrorism* (hereinafter referred to as the terrorism report) highlights U.S. concerns about terrorist threats around the world, including in Latin America. According to the 2014 terrorism report (issued in June 2015), while "almost all governments in the region recognized the potential threat that terrorism represents to their domestic and hemispheric interests," there was also understanding that terrorist groups do not currently menace the region compared to other parts of the world.¹ The State Department re-asserted in the 2014 report that "transnational criminal organizations continued to pose far more significant threats to the region than terrorism" and that "most countries [in the region] made efforts to investigate possible connections with terrorist organizations." In terms of Latin American countries' abilities to combat terrorism, the State Department maintained in the 2014 report that there was a lack of significant progress on countering terrorism in some countries because of "corruption, weak government institutions, insufficient interagency cooperation, weak or non-existent legislation, and a lack of resources."

As in recent years, the State Department maintained in the terrorism 2014 report that the primary terrorist threats in Latin America stemmed from two Colombian guerrilla groups—the Revolutionary Armed Forces of Colombia (FARC) and the National Liberation Army (ELN)—responsible for the majority of terrorist attacks in the region. The Colombian government has been involved in peace talks with the FARC since 2012, and to date the two sides have made progress in resolving three out of five substantive agenda items. Many observers assert that a final agreement would be a significant step in reducing terrorist threats and attacks in Latin America. (See "Colombia" section below).

U.S. policymakers have expressed concerns over the past several years about Iran's deepening relations with several Latin American countries, especially Venezuela, and its activities in the region. The 2014 terrorism report asserted that "the United States remained vigilant in its efforts to monitor Iran's influence in the Western Hemisphere." In presenting the 2015 posture statement of the U.S. Southern Command (SOUTHCOM) to Congress in March 2015, General John Kelly stated that "as the foremost state sponsor of terrorism, Iran's involvement in the region ... is a matter for concern, and its diplomatic, economic, and political engagement is closely monitored."² A June 2013 State Department report to Congress pursuant to the Countering Iran in the Western Hemisphere Act of 2012 (P.L. 112-220) had described Iranian influence in Latin America and the Caribbean as "waning." Many analysts contend that Iranian relations with the region have diminished since current Iranian President Hassan Rouhani took office in 2013. (See "Iran's Activities in Latin America" below.)

¹ U.S. Department of State, *Country Reports on Terrorism 2014*, April 2015, available at <http://www.state.gov/j/ct/rls/crt/2014/index.htm>

² Posture statement of General John F. Kelly, Commander, U.S. Southern Command, before the 114th Congress, Senate Armed Services Committee, March 12, 2015.

One of the main concerns about Iran's increasing relations with the region is its ties to Hezbollah, the radical Lebanon-based Islamic group that the Department of State designated a Foreign Terrorist Organization in 1997. While the State Department asserted in its 2014 terrorism report that there were no confirmation of operational cells of either Hezbollah or Al Qaeda or in the hemisphere, it noted that "ideological sympathizers in South America and the Caribbean continued to provide financial and moral support to those and other terrorist groups in the Middle East and South Asia." In particular, the State Department noted that the tri-border area of Argentina, Brazil, and Paraguay "remained an important regional nexus of arms, narcotics, and human smuggling, counterfeiting, pirated goods; and money laundering—all potential funding sources for terrorist organizations."

There has been significant U.S. concern in recent years about the increasing and brutal violence of Mexico's drug trafficking organizations, with more than 80,000 organized crime-related deaths in Mexico since 2006. In response to some concerns that these criminal organizations were adopting terrorist tactics, the State Department asserted in its 2013 and 2014 terrorism reports asserted that there were "no known international terrorist organizations operating in Mexico" and "no evidence that any terrorist group has targeted U.S. citizens in Mexican territory." (See "Mexico" below.)

From March 1982 until May 2015, Cuba had been on the State Department's so-called state sponsors of terrorism list pursuant to Section 6(j) of the Export Administration Act (EAA) of 1979 and other provisions of law. As part of President Obama's shift on Cuba policy announced in December 2014, the State Department conducted a review of Cuba's designation on the state sponsors list, and in April 2015, President Obama submitted a report to Congress justifying the rescission of Cuba's designation. The President certified that the Cuban government "has not provided any support for international terrorism during the preceding 6-month period" and "has provided assurances that it will not support acts of international terrorism in the future." Congress did not attempt to block the President's action, which paved the way for the Secretary of State to rescind Cuba's designation on May 29, 2015. (See "Cuba" section below.)

Venezuela currently is on the State Department's annual list of countries determined to be not cooperating fully with U.S. antiterrorism efforts pursuant to Section 40A of the Arms Export Control Act. The most recent annual determination was made by the Secretary of State on May 11, 2015.³ Venezuela has been on the list since 2006 and, as a result, has been subject to a U.S. arms embargo. Cuba had been on the Section 40A list since 1997, when the annual determination was first established, but was not included this year. U.S. officials have expressed concerns over the past decade about Venezuela's lack of cooperation on antiterrorism efforts, its relations with Iran, and the involvement of senior Venezuelan officials in supporting the drug and weapons trafficking activities of the FARC. (See "Venezuela" section below.)

Colombia⁴

Three violent Colombian groups have been designated by the Secretary of State as Foreign Terrorist Organizations (FTOs). Two of these, the leftist Revolutionary Armed Forces of Colombia (FARC) and the leftist National Liberation Army (ELN), were designated in 1997 and

³ *Federal Register*, "Determination and Certification Under Section 40A of the Arms Export Control Act," May 27, 2015, p. 30319.

⁴ For additional information, see CRS Report R42982, *Peace Talks in Colombia*; CRS Insight IN10024, *Colombia's 2014 Elections: Referendum on the Peace Process*; and CRS Report R43813, *Colombia: Background and U.S. Relations*, by (name redacted)

are active guerrilla groups. A third group, the rightist paramilitary United Self-Defense Forces of Colombia (AUC), was designated an FTO in 2001, but the group has been demobilized for nine years. In July 2014, the AUC was de-listed as an FTO by the U.S. Secretary of State.

The FARC, a leftist guerrilla group heavily involved in drug production and trafficking, was established in the mid-1960s. Over the past several years, the FARC has been weakened significantly by the government's military campaign against it. In March 2008, the military killed the group's second in command, Raúl Reyes, during a raid on a FARC camp in Ecuador. In May 2008, the FARC admitted that its long-time leader, Manuel Marulanda, had died of a heart attack in March as well. In July 2008, a Colombian military operation rescued 15 long-held hostages, including three U.S. defense contractors (held since February 2003) and a prominent Colombian senator and presidential candidate. The Colombian military dealt another significant blow to the terrorist group in September 2010 when it killed a top military commander, Victor Julio Suárez (aka "Mono Joyoy") in a bombing raid on his camp in a mountainous region of Meta department in central Colombia. In November 2011, the Colombian military killed the FARC's top leader, Alfonso Cano, in a bombing raid in the department of Cauca in southwestern Colombia. In September 2012, a top FARC commander, Danilo García, was killed in a military raid in the northern department of Norte de Santander.

Despite the military campaign against it, the FARC is estimated to have a strength of about 8,000-9,000 fighters, operating in various locations throughout Colombia. The group has been responsible for terrorist attacks, including the destruction of infrastructure, kidnapping, and extortion, and, in recent years, has diversified into illegal mining.⁵ In the aftermath of the killing of FARC leader Alfonso Cano in November 2011, the FARC chose Rodrigo Londoño, also known as Timoleón Jiménez or Timochenko, as its new leader.

In August 2012, the Colombian government of President Juan Manuel Santos announced that it had begun exploratory peace talks with the FARC. Formal talks began in Norway in October 2012 and have continued in Cuba for nearly three years. To date, the two sides have reached agreements on three of the five substantive agenda items: land and rural development, political participation, and resolving the problem of illicit drugs. Remaining items are a framework for ending the conflict (including a cessation of hostilities and disarmament) and compensation and justice for victims, who officially number more than 7 million Colombians.

President Santos was reelected to a second term in June 2014, centering his campaign on a pledge to continue the peace negotiations. Unilateral ceasefires by the FARC—during elections and holiday periods—worked to lower the annual casualties from terrorist attacks in 2014. However, in November 2014, a Colombian Brigadier General was captured by the FARC, and the negotiations were suspended until he and other captives were freed two weeks later. In December, the FARC declared an indefinite, unilateral ceasefire that lasted about four months, until a mid-April 2015 attack in which 11 Colombian soldiers were killed.⁶

The State Department's 2014 terrorism report maintained that the number of terrorist incidents in the country—perpetrated largely by the FARC (Colombia's largest active terrorist group) and the ELN—decreased during the year compared to 2013 and that government statistics showed that infrastructure sabotage was down. According to the report, the FARC reportedly focused on low-

⁵ Historically the FTO has been responsible for numerous kidnappings, but it claimed to end the practice in early 2012 in an overture to open peace talks with the Colombian government.

⁶ The FARC was widely seen to have violated its own ceasefire. The government, which had agreed to de-escalate by suspending bombing attacks on the FARC in March 2015, resumed its airstrikes. The FARC responded by declaring its unilateral ceasefire begun at the end of 2014 over in May 2015.

cost high-impact attacks, such as launching of mortars at police stations or the military, placing explosive devices near roads or paths, and carrying out sniper attacks. The report notes that the Colombian government kept up military pressure on the armed insurgents in 2014 and that guerrilla fighters were captured and demobilized in slightly higher numbers than in the previous year.

Fighting between the FARC and the security forces escalated in 2015, with terrorist attacks reaching the highest level since the negotiations began. Notably the FARC attacked electric grids and oil pipelines, causing blackouts and environmental damage. Popular support for the talks reached a nadir, and the president warned that public patience with the peace process might be exhausted. Yet the government and FARC remained at the negotiating table.

The ELN, a Marxist-Leninist group formed in 1965, reportedly has a membership of around 2,000 fighters but has continued to undertake attacks and inflict casualties despite diminished resources and reduced offensive capability. In 2013, the group increased its attacks on oil pipelines and equipment, and such attacks continued in 2014. The ELN has been located largely in the rural and mountainous areas of northern, northeastern, and southwestern Colombia and in the eastern border region with Venezuela, where the group reportedly has its base. In June 2014, the ELN and the Colombian government confirmed that they were engaged in exploratory peace talks, but official talks have still not yet begun. In recent years, the ELN has been involved in joint attacks with the FARC. Like the FARC, the group derives its funding from drug trafficking as well as from kidnapping and extorting oil and gas companies.

The AUC was formed in 1997 as a loose affiliation of paramilitary groups targeting leftist guerrillas. It carried out numerous political killings and kidnappings and was heavily involved in the drug trade. Although more than 32,000 AUC members demobilized between 2003 and 2006, and the group's paramilitary chiefs stepped down, the organization remained on the FTO list until 2014.

Colombian FTOs in Neighboring Countries

Colombian terrorist groups have continued to use the territory of several of Colombia's neighbors—Ecuador, Panama, and Venezuela—according to the State Department's 2014 terrorism report, although all of the governments worked with Colombia and in some cases independently to reduce the presence of Colombian insurgents and drug trafficking groups. (See **Figure 1**.) The cooperation of the Colombian government with neighboring countries continued to improve in 2014. Border areas with Venezuela, Panama, and Ecuador reportedly are used for incursions into Colombia, and Venezuelan and Ecuadorian territory is reportedly used for safe haven, according to the report.

While Ecuador's relations with Colombia became tense in the aftermath of Colombia's March 2008 military raid on a FARC camp in Ecuador's Sucumbios province, Ecuador's military subsequently increased the number of operations against the FARC in its northern border region. Under Colombian President Santos, who took office in August 2010, the two countries made progress in improving bilateral relations following the restoration of diplomatic relations in December 2010. The 2013 and 2014 terrorism reports maintained that improved relations between Colombia and Ecuador have led to increased cooperation on law enforcement issues.

In Panama, a small number of FARC members from the group's 57th Front operated in the country's Darien province bordering Colombia for a number of years, using the area as a safe haven. Panama's government has stepped up its efforts in recent years to confront the FARC, and as a result, the 2014 terrorism report asserts that the FARC can no longer maintain a permanent militarized presence in Panamanian territory. The security threat posed by the FARC inside

Panama has been curbed by the actions of Panama's National Border Service (SENAFRONT). Nevertheless, the remote Darien region still faces challenges from smaller drug trafficking organizations and criminal groups and experiences problems with human smuggling with counterterrorism implications. SENAFRONT's successes in downgrading the FARC's presence are supplemented by other Panamanian government efforts to assert a positive state presence and support underserved populations living in the remote border region with Colombia to assist them in resisting recruitment efforts by terrorist groups.

With regard to Venezuela, both the FARC and the ELN have long been reported to have a presence in Venezuelan territory, and the United States has imposed sanctions on several current and former Venezuelan government and military officials for providing support to the FARC. (Also see section on "Venezuela" below.) As described in the State Department's 2010 terrorism report, the previous Colombian government of President Álvaro Uribe publicly accused the Venezuelan government several times of harboring members of the FARC and the ELN in its territory.⁷ In July 2010, the Uribe government presented evidence at the Organization of American States (OAS) of FARC training camps in Venezuela. In response, Venezuela suspended diplomatic relations in July 2010, yet less than three weeks later new Colombian President Juan Manuel Santos met with then-Venezuelan President Chávez, and the two leaders agreed to reestablish diplomatic relations and to improve military patrols along their common border.

Since then, Venezuelan-Colombian relations on border security have improved, with ongoing high-level dialogue. At times, Venezuela has captured and returned to Colombia several members of the FARC and the ELN.

As noted above, the State Department's 2014 terrorism report maintains that the FARC and the ELN use Venezuela for incursions into Colombia and that Venezuelan territory is used for safe haven, with individuals linked to both the FARC and the ELN present in Venezuela. Moreover, the terrorism report also noted that Venezuela has taken no action against senior Venezuelan government officials sanctioned by the U.S. Treasury Department for directly supporting the narcotics and arms trafficking activities of the FARC (see "Venezuela and FARC-Related Sanctions" below.) Elements of the Venezuela military believed to be most deeply involved in the drug trade are concentrated along the border with Colombia in the Venezuelan states of Apure, Zulia, and Táchira (see **Figure 1**).⁸

⁷ U.S. Department of State, *Country Reports on Terrorism 2010*, August 18, 2011.

⁸ "Cartel de los Soles," *InSight Crime, Organized Crime in the Americas*, 2012.

Figure I. Colombia and Neighboring Countries



Source: CRS.

Notes: The map shows Colombia's departments and the bordering departments, provinces, and states of neighboring Ecuador, Peru, Brazil, Venezuela, and Panama.

The State Department's recent reports have also noted that the Venezuelan government has taken an active role in supporting the Colombian government-FARC peace negotiations that have been ongoing since late 2012. Colombian and Venezuelan foreign ministers also met frequently throughout 2014 to focus their governments' joint efforts on reducing narcotics trafficking, arms smuggling, and the activity of illegally armed groups.

Cuba⁹

Cuba had a history of supporting revolutionary movements and governments in Latin America and Africa, but, in 1992, then Cuban leader Fidel Castro said that his country's support for insurgents abroad was a thing of the past. Most analysts accept that Cuba's policy generally did change, largely because the breakup of the Soviet Union resulted in the loss of billions in subsidies.

From March 1982 until May 2015, the Department of State, pursuant to Section 6(j) of the Export Administration Act (EAA) of 1979 and other laws,¹⁰ had included Cuba among its list of states sponsoring terrorism. For a number of years, Cuba's retention on the terrorism list had been questioned by some observers. In general, those who supported keeping Cuba on the list pointed to the government's history of supporting terrorist acts and armed insurgencies and continued hosting of members of foreign terrorist organizations and U.S. fugitives from justice. Critics of retaining Cuba on the terrorism list maintained that it was a holdover of the Cold War. They argued that domestic political considerations kept Cuba on the terrorism list and maintained that Cuba's presence on the list diverted U.S. attention from struggles against serious terrorist threats.

Rescission of Cuba's Designation as a State Sponsor of Terrorism. In December 2014, President Obama unveiled a new policy approach toward Cuba that would move U.S. policy away from sanctions and toward a policy of engagement. One element of the changed policy was ordering a review of Cuba's designation by the State Department as a state sponsor of international terrorism. President Obama directed Secretary of State Kerry to review Cuba's designation "guided by the facts and the law." The President stated that "at a time when we are focused on threats from al Qaeda to ISIL, a nation that meets our conditions and renounces the use of terrorism should not face this sanction."¹¹ The State Department review was completed in early April 2015, and on April 14 the President transmitted to Congress a report justifying the rescission of Cuba's designation as a state sponsor of terrorism. No resolutions of disapproval were introduced in Congress to block the rescission, which took place on May 29, 2015, 45 days after the submission of the report to Congress.

In the April 14, 2015, report to Congress, President Obama, following the process set forth in three terrorist-list provisions of law cited above, certified that the Cuban government "has not provided any support for international terrorism during the preceding 6-month period" and "has provided assurances that it will not support acts of international terrorism in the future." The memorandum of justification accompanying the report maintained that Cuba has taken steps in recent years to fully distance itself from international terrorism and to strengthen its counterterrorism laws. The justification noted that Cuba is a party to 15 international instruments related to countering terrorism and has deposited its instrument of ratification or accession to three additional instruments that have not yet entered into force. The justification stated that in 2013, Cuba committed to work with the multilateral Financial Action Task Force (FATF) to address its anti-money laundering/counterterrorism finance (AML/CTF) deficiencies. Most significantly, the justification stated that direct engagement with Cuba permitted the United States to secure additional assurances, delivered April 3, 2015, of Cuba's commitment to renounce international terrorism.

⁹ For additional information, see CRS Report R43926, *Cuba: Issues for the 114th Congress*, by (name redacted) .

¹⁰ Section 620A of the Foreign Assistance Act of 1961 and Section 40 of the Arms Export Control Act. See CRS Report R43835, *State Sponsors of Acts of International Terrorism—Legislative Parameters: In Brief*, by (name redacted) .

¹¹ White House, "Statement by the President on Cuba Policy Changes," December 17, 2014.

Members of Foreign Terrorist Organization in Cuba. For a number of years in its annual terrorism report, the State Department has discussed Cuba's provision of safe haven for members of the Basque Fatherland and Liberty (ETA) and the Colombian FARC, both U.S.-designated FTOs.

In the April 2015 justification for rescinding Cuba's state sponsor of terrorism designation, the Administration maintained that there was no credible evidence that Cuba has, within the preceding six months, provided specific material support, services, or resources to members of the FARC or members of the ELN, another Colombian FTO, outside of facilitating the peace process between those organizations and the government of Colombia. The Cuban government has been supporting and hosting peace negotiations between the FARC and the Colombian government since 2012. According to the justification, the Colombian government formally noted to the United States that it believes the Cuban government has played a constructive process in the peace talks and that it has no evidence that Cuba has provided any political or military support in recent years to the FARC or the ELN that has assisted in the planning or execution of terrorist activity in Colombia.

With regard to ETA, the Administration maintained in the justification that the Cuban government continues to allow approximately two dozen members of ETA to remain in the country, with most of those entering Cuba following an agreement with the government of Spain. The Administration maintained that Spain has requested the extradition of two ETA members from Cuba and that a bilateral process is underway for the two countries to resolve the matter. It maintained that the Spanish government has conveyed to the United States that it is satisfied with this process and that it has no objection to the rescission of Cuba's designation as a state sponsor of terrorism.

U.S. Fugitives from Justice. Another issue that has been mentioned for many years in the State Department's annual terrorism report is Cuba's harboring of fugitives wanted in the United States. The 2014 terrorism report stated that Cuba provides such support as housing, food ration books, and medical care for these individuals. This was also reiterated in the Administration's April 2015 justification to Congress.

U.S. fugitives from justice in Cuba include convicted murderers and numerous hijackers, most of whom entered Cuba in the 1970s and early 1980s.¹² For example, Joanne Chesimard, also known as Assata Shakur, was added to the FBI's Most Wanted Terrorist list in May 2013. Chesimard was part of militant group known as the Black Liberation Army. In 1977, she was convicted for the 1973 murder of a New Jersey State Police officer and sentenced to life in prison. Chesimard escaped from prison in 1979 and, according to the FBI, lived underground before fleeing to Cuba in 1984.¹³ Another fugitive, William "Guillermo" Morales, who was a member of the Puerto Rican militant group known as the Armed Forces of National Liberation (FALN), reportedly has been in Cuba since 1988 after being imprisoned in Mexico for several years. In 1978, both of his hands were maimed by a bomb he was making. He was convicted in New York on weapons charges in 1979 and sentenced to 10 years in prison and 5 years' probation, but escaped from prison the same year.¹⁴

¹² U.S. Department of State, *Country Reports on Terrorism 2007*, April 30, 2008.

¹³ FBI, Most Wanted Terrorists, Joanne Deborah Chesimard, poster, at http://www.fbi.gov/wanted/wanted_terrorists/joanne-deborah-chesimard/view.

¹⁴ James Anderson, "Living in Exile, Maimed Guerrilla Maintains Low-Key Profile in Cuba," *Fort Worth Star-Telegram*, January 16, 2000; Vanessa Bauza, "FBI's Fugitive Is Cuba's Political Refugee," *South Florida Sun-Sentinel*, May 26, 2002; Mary Jordan, "Fugitives Sought by U.S. Find a Protector in Cuba," *Washington Post*, September 2, 2002; FBI, Wanted by the FBI, William "Guillermo" Morales, poster at <http://www.fbi.gov/wanted/dt/william-> (continued...)

While the United States and Cuba have an extradition treaty in place dating to 1905, in practice the treaty has not been utilized. Instead, for more than a decade, Cuba has returned wanted fugitives to the United States on a case-by-case basis. However, Cuba has generally refused to render to U.S. justice any fugitive judged by Cuba to be “political,” such as Chesimard, who they believe could not receive a fair trial in the United States. Moreover, Cuba in the past has responded to U.S. extradition requests by stating that approval would be contingent upon the United States returning wanted Cuban criminals from the United States.

The Administration’s April 2015 justification for removing Cuba from the terrorism list maintains that Cuba agreed to enter into a law enforcement dialogue with the United States that will include discussions with the goal of resolving outstanding fugitive cases. It asserted that “the strong U.S. interest in the return of these fugitives will be best served by entering into this dialogue with Cuba.”

Removal of Cuba from List of Countries Not Fully Cooperating with U.S. Antiterrorism Efforts. In addition to Cuba’s removal from the state sponsors of terrorism list, on May 11, 2015, Secretary of State Kerry dropped Cuba from the annual determination, pursuant to Section 40A of the Arms Export Control Act and due by May 15 of each year, identifying countries that are not fully cooperating with United States antiterrorism efforts. Cuba had been designated annually since that annual determination was established in 1997. Countries currently designated as not cooperating fully on antiterrorism efforts are Eritrea, North Korea, Iran, Syria, and Venezuela.¹⁵

Terrorist Acts Against Cuba. Cuba has been the target of various terrorist incidents over the years. In 1976, a Cuban plane was bombed in Barbados, killing 73 people, including 24 members of Cuba’s national fencing team. In 1997, there were almost a dozen bombings in the tourist sector in Havana in which an Italian businessman was killed and several others were injured. In November 2000, four anti-Castro activists were arrested in Panama for a plot to kill Fidel Castro. The four stood trial in March 2004 and were sentenced on weapons charges to prison terms ranging from seven to eight years. In August 2004, Panamanian President Mireya Moscoso pardoned the four men before the end of her presidential term.

One of the men, Luis Posada Carriles (a nationalized Venezuelan citizen originally from Cuba) is also alleged by Cuba to be involved in the 1976 Cuban airplane bombing as well as the series of bombings in Havana in 1997.¹⁶ He was imprisoned in Venezuela from 1976 until 1985 for masterminding the bombing, although he was not convicted, and he escaped from prison in 1985 and fled to El Salvador.

Posada entered the United States illegally in 2005. In subsequent removal proceedings, an immigration judge found that Posada could not be removed to Cuba or Venezuela because of concerns that he would face torture, and he was thereafter permitted to remain in the United States pending such time as he could be transferred to a different country. Posada subsequently applied for naturalization to become a U.S. citizen. This application was denied, and criminal charges were brought against him for allegedly false statements made in his naturalization application and interview. Although a federal district court dismissed the indictment in 2007, its ruling was reversed by an appellate court in 2008. In April 2009, the United States filed a

(...continued)

guillermo-morales/view.

¹⁵ *Federal Register*, “Determination and Certification Under Section 40A of the Arms Export Control Act,” May 27, 2015, p. 30319.

¹⁶ Frances Robles, “An Old Foe of Castro Looks Back on His Fight,” *Miami Herald*, September 4, 2003.

superseding indictment, which included additional criminal charges against Posada for allegedly making false statements during immigration removal proceedings concerning his involvement in the 1997 Havana bombings. Posada's trial began in January 2011, and he ultimately was acquitted of the perjury charges in April 2011.¹⁷

Mexico¹⁸

Mexico is a major transit point for the lucrative cocaine trade and a major source and trafficking country for marijuana, methamphetamine, and heroin. This highly lucrative market has generated fierce competition within and between the drug trafficking organizations (DTOs) to control trafficking routes into the United States and for a share of Mexico's growing internal drug market. Violence perpetrated by the DTOs in Mexico began to increase significantly after 2007, and many analysts characterized the level of brutality as unprecedented for the country.

The upsurge in crime in Mexico, spawned by the illicit drug trade, which has broadened into many other types of criminality, and the brutality of the tactics have led some analysts to liken certain DTO activities to those of terrorists or armed insurgents.¹⁹ DTO-related violence has included brazen and high-profile crimes, such as more than 20 car bombings, deadly blockades, use of grenades, and at times even indiscriminate attacks involving civilians.²⁰ Nevertheless, much of the violence has been between DTO rivals as well as engagement with Mexican security forces. In May 2015, for example, an aggressive, newer DTO used a rocket-propelled grenade to shoot down an Army helicopter in the state of Jalisco, the first instance ever reported of a Mexican military aircraft being shot down by a DTO.²¹ Homicides attributed to the DTOs have included beheadings, hangings, dismemberment of victims' bodies, and torture.

The DTO actions, however, while carried out to instill fear and generate compliance, are not paired with terrorist political motivation or intent. Rather, their actions are motivated by a ruthless pursuit of profit. The organizations lack a religious or political ideology or objective to replace or destroy the government and undermine legitimate authority, except to neutralize the government's authority to curtail their illicit businesses. Some analysts contend that characterizing the DTOs as

¹⁷ For additional information, see "Background on Luis Posada Carriles," CRS Congressional Distribution Memorandum, December 8, 2010, prepared by (name redacted), Specialist in Latin American Affairs, and (name redacted), Legislative Attorney. Available from the authors.

¹⁸ For further background, see CRS Report R41349, *U.S.-Mexican Security Cooperation: The Mérida Initiative and Beyond*, by (name redacted) and (name redacted); CRS Report R41576, *Mexico: Organized Crime and Drug Trafficking Organizations*, by (name redacted) and CRS Report R42917, *Mexico: Background and U.S. Relations*, by (name redacted).

¹⁹ See, for example, Robert J. Bunker and John P. Sullivan, *Crime Wars and Narco Terrorism in the Americas: A Small Wars Journal-El Centro Anthology* (iUniverse, 2014).

²⁰ Incidents of indiscriminate attacks on civilians have been quite rare, although there have been a number of harrowing cases of alleged mistaken identity, including mass slayings as well as an increasing number of innocent bystanders killed in violent DTO shootouts. Two incidents stand out. One is an attack when grenades were thrown into a crowd gathered for Independence Day festivities in Morelia in September 2008, and the other the firebombing of a casino in Monterrey, Nuevo León, in August 2011. The grenade attack, which killed eight, was widely condemned by the major drug trafficking groups, and no group took credit for it. It appears to be a one-time event that has not been repeated. The casino firebombing, with a death toll of more than 50, has been linked to Los Zetas and appears to be an example of organized crime's involvement in corruption and extortion. See Tracy Wilkinson, "Suspect Says Mexico Casino Fire Set Over Unpaid Extortion Money," *Los Angeles Times*, August 29, 2011.

²¹ Alasdair Bayerstock and Tim Macfarlan, "Inside Mexico's Deadliest Cartel: How the Twisted 'New Generation' Gang-Which Took Down Army Helicopter with an RPG-Is Trying to Win the Public's Heart with Ultra-Violent 'Robin Hood' Image," *MailOnline*, May 12, 2015; Juan Montes, "Deadly Cartel in Mexico Rises as a New Threat to Government," *Wall Street Journal*, May 14, 2015.

terrorists misconstrues the problem. University of Pittsburgh Professor Phil Williams observes that the violence in Mexico compares to large-scale criminal violence in other settings, such as mafia violence in Italy, blood feuds in Albania, and Russian contract killings in the 1990s.²² Williams suggests that the epidemic of criminal violence in Mexico may be uniquely intense and intractable because of a “perfect storm” of conditions and different dimensions of the DTO-related violence.

The State Department, which has not designated any Mexican DTOs as Foreign Terrorist Organizations, maintained in its 2013 terrorism report that there were “no known international terrorist organizations operating in Mexico, and there is no evidence that any terrorist group has targeted U.S. citizens in Mexican territory.” In its 2014 terrorism report, the State Department asserted that no U.S. citizens had been targeted and repeated “there were no known international terrorist organizations operating in Mexico, despite several erroneous press reports to the contrary during 2014.” The report stated that the Mexican government remained vigilant against domestic and international terrorist threats and continued to disrupt and dismantle the transnational criminal organizations responsible for much of the violence.

Peru

The brutal Shining Path (Sendero Luminoso or SL) Maoist insurgency has operated as a terrorist group in Peru since 1980 and was designated by the Department of State as a foreign terrorist organization in 1997. The group was significantly weakened in the 1990s with the capture of its leader, Abimael Guzman, who, after a new trial in 2006, was sentenced to life in prison. According to the 2014 State Department terrorism report, while SL remained a threat to Peru’s internal security, the terrorist organization was relatively quiet in 2014. Its area of operation was limited to the Apurimac, Ene, and Mantaro River Valley (VRAEM) in south-central Peru that accounts for more than half of the cocaine produced in the country. SL is reported to sustain itself through its involvement in drug production and trafficking and extortion of taxes from others involved in the drug trade. The 2014 terrorism report quoted a Peruvian military official who claimed that SL only had around 100 armed fighters in the VRAEM. In 2014, the SL reportedly carried out 20 terrorist acts in 2014, compared to 29 in 2013 and 87 in 2012.

Until 2012, there had been two SL factions in Peru, the one in the VRAEM led by Victor Quispe Palomino, also known as Comrade José, and the second operating in the Upper Huallaga Valley (UHV) in the north that was led by Florindo Eleuterio Flores Hala, also known as Comrade Artemio. The UHV faction essentially collapsed in the aftermath of the capture of Artemio in February 2012; he was sentenced to life in prison in June 2013. The VRAEM faction was struck a significant blow in August 2013, when Peruvian security forces killed two top SL commanders in an operation against the group, including a brother of Comrade José.

In October 2014, Peruvian police arrested a Lebanese national, Mohammed Hamdar, for suspected links to Hezbollah after police reportedly found the remains of explosive material in his garbage. Some reports maintain that he confessed to be a member of Hezbollah, although Hamdar maintains the confession was coerced.²³ A Peruvian judge ordered Hamdar detained for up to 18 months while investigators prepare charges against him.

²² Phil Williams, “The Terrorism Debate Over Mexican Drug Trafficking Violence,” *Terrorism and Political Violence*, vol. 24, no. 1 (April 2012). Phil Williams is the director of the Matthew B. Ridgway Center for International Security Studies at the University of Pittsburgh and a former visiting research professor at the U.S. Army War College.

²³ “Lebanese Detainee in Peru Denies Hezbollah Link, Says Confession Coerced,” Reuters News, November 13, 2014; Elyssa Pachico, “Lebanese ‘Bodybuilder’ a Hezbollah Member: Peru Govt,” *InSight Crime*, November 12, 2014.

In addition to the SL's designation as an FTO, in June 2015, the Treasury Department's Office of Foreign Assets Control identified SL as a significant foreign narcotics trafficker pursuant to the Foreign Narcotics Kingpin Designation Act, and sanctioned three SL leaders—Victor Quispe Palomino (Comrade José), Jorge Quispe Palomino (Comrade Raúl), and Florindo Eleuterio Flores Hala (Comrade Artemio, who, as noted above, has been imprisoned in Peru since 2012).²⁴ All three SL leaders had been indicted by a U.S. federal court in New York in July 2014 on charges including conspiring to provide material support to the SL and conspiracy to commit narco-terrorism.²⁵

Venezuela²⁶

U.S. officials have expressed concerns over the past several years about Venezuela's lack of cooperation on antiterrorism efforts, the involvement of senior Venezuelan government officials in supporting the drug and arms trafficking activities of the FARC, and Venezuela's relations with Iran. Since May 2006, the Secretary of State has made an annual determination that Venezuela has not been "cooperating fully with United States antiterrorism efforts" pursuant to Section 40A of the Arms Export Control Act (AECA). The most recent determination was made in May 2015. As a result, the United States has imposed an arms embargo on Venezuela since 2006, which ended all U.S. commercial arms sales and retransfers to Venezuela. (Other countries currently on the Section 40A list include Eritrea, Iran, North Korea, and Syria, not to be confused with the "state sponsors of terrorism" list under Section 6(j) of the Export Administration Act of 1979 and other provisions of law.) The United States has also imposed various sanctions on Venezuelan individuals and companies for supporting the FARC, Iran, and Hezbollah. (See "U.S. Sanctions" below.)

Just as in its 2013 terrorism report, the State Department maintained in its 2014 report that "there were credible reports that Venezuela maintained a permissive environment that allowed for support of activities that benefited known terrorist groups." It further stated that individuals linked to Colombia's two guerrillas groups, the FARC and the ELN, and the Basque Fatherland and Liberty (ETA), as well as Hezbollah sympathizers and supporters, were present in Venezuela.

According to the 2014 terrorism report, the FARC often uses Colombia's border areas with Venezuela for incursions into Colombia and also used Venezuelan territory for safe haven. The State Department also reiterated in the report that the Venezuelan government has taken no action against senior government officials sanctioned by the U.S. Treasury Department for directly supporting the narcotics and arms trafficking activities of the FARC. It noted, however, that the foreign ministers of Venezuela and Colombia met several times in 2014 to address such issues as the activity of illegally armed groups, the smuggling of illegal goods, and narcotics trafficking. It further noted Venezuela's participation in support of ongoing negotiations between the FARC and the Colombian government.

In the 2013 and 2014 terrorism reports, the State Department maintained that Venezuela's border security at ports of entry is vulnerable and susceptible to corruption. It noted that the Venezuelan

²⁴ U.S. Department of the Treasury, "Treasury Sanctions Peruvian Narco-Terrorist Group and Three Key Leaders," June 1, 2015.

²⁵ U.S. Department of Justice, Offices of the United States Attorneys, Southern District of New York, "Manhattan U.S. Attorney Announces Charges Against Three Leaders of Peruvian Terrorist Organizations Shining Path," July 2, 2014.

²⁶ For additional background on Venezuela, see CRS Report R43239, *Venezuela: Background and U.S. Relations*, by (name redacted) .

government did not perform biographic and biometric screening at ports of entry or exit and that there was no automated system to collect advance passenger name records on commercial flights.

With regard to Venezuela's relations with Iran, there was significant concern among policymakers about the growing relationship between the two countries during the rule of Venezuelan President Hugo Chávez (1999-2013) and Iranian President Mahmoud Ahmadinejad (2005-2013) during which Venezuela arguably served as Iran's entry to the region. In the aftermath of the departure of Ahmadinejad from office and the death of Chávez in 2013, many analysts contend that Iranian relations with the region have diminished. Nevertheless, Iranian activities in the region remain a concern for U.S. officials. SOUTHCOM Commander General John Kelly maintained in the command's 2015 posture statement that Iran's diplomatic, economic and political engagement in the region is closely monitored.²⁷ (For more see "Iran's Activities in Latin America" below.)

Iran's Activities in Latin America

For several years, there has been concern among policymakers about Iran's growing interest and activities in Latin America, centered on Iran's attempts to work with regional governments to circumvent U.N. and U.S. sanctions. Both Iran and Hezbollah, the radical Lebanon-based Islamic group, a U.S.-designated FTO with which Iran has strong ties, are reported to be linked to two bombings against Jewish targets in Buenos Aires, Argentina, in the early 1990s: the 1992 bombing of the Israeli Embassy that killed 30 people and the 1994 bombing of the Argentine-Israeli Mutual Association (AMIA) that killed 85 people. During the presidency of Mahmoud Ahmadinejad (2005-2013), Iran worked to increase its ties with Latin American countries, and Venezuela under President Hugo Chávez (1999-2013) arguably served as Iran's gateway to the region.

There has been disagreement, however, over the extent and significance of Iran's activities in the region. In the aftermath of the departure of Ahmadinejad from office and the death of Chávez in 2013, many analysts contend that Iranian relations with the region have diminished. Current Iranian President Hassan Rouhani, who took office in August 2013, campaigned on a platform of reducing Iran's international isolation and has not placed a priority on relations with Latin America. With regard to Hezbollah, some view its regional involvement in illicit activities as a means to raise money, as opposed to the organization having an ideological agenda in Latin America or pursuing one on behalf of Iran.²⁸

On the other hand, some observers contend that there is enough information to view both Iran and Hezbollah as potential threats to the Western Hemisphere. They point to their alleged role in two bombings in Argentina in 1992 and 1994; the fact that the United States has imposed sanctions on various companies and individuals in the region for their support of Iran and Hezbollah; and the role of some Iranian security personnel in an alleged 2011 plot to assassinate the Saudi Ambassador in Washington, DC. In that plot, Iran allegedly sought to recruit an agent who it thought was a member of a Mexican drug trafficking organization but was actually a Drug Enforcement Administration (DEA) confidential source. Some analysts point to Hezbollah's involvement in drug trafficking and money laundering in the region as evidence of the group

²⁷ Posture statement of General John F. Kelly, Commander, U.S. Southern Command, before the 114th Congress, Senate Armed Services Committee, March 12, 2015.

²⁸ For example, see Steven Dudley, co-director, Insight Crime, "Terrorism and Crime in the Americas – 'It's Business,'" Remarks before the Inter-American Committee Against Terrorism, Organization of American States, February 26, 2014.

being a threat to the Western Hemisphere.²⁹ Some contend that President Rouhani might be de-emphasizing ties to Latin America, but that the basic goals of Iran's foreign policy in the region remains the same—to secure alliances and circumvent economic sanctions.³⁰

Regardless of Iran's involvement in the region, it is important to remember that Iran's key foreign policy focus remains its immediate region. It is in the Middle East, and South and Central Asia, where the Iranian regime perceives potential threats to its survival, and in which Iran has, for ideological, religious, and political motives, tried to alter political outcomes in its favor. Whatever efforts Iran has made to engage like-minded leaders in Latin America, these efforts do not approach its level of involvement in countries such as Iraq, Afghanistan, Syria, or Lebanon.³¹

Background on Iran in Latin America

Iran's ties to the region predate its increased attention in recent years. Venezuela's relations with Iran have been long-standing because they were both founding members of OPEC in 1960. In the aftermath of the 1979 Iranian revolution, Iran fostered closer relations with Cuba and with Nicaragua (after the 1979 Sandinista revolution). Under the government of President Mohammed Khatami (1997-2005), Iran made efforts to increase its trade with Latin America, particularly Brazil, and there were also efforts to increase cooperation with Venezuela. Venezuelan President Hugo Chávez visited Iran in 2001 and 2003, which led to a joint venture agreement to produce tractors in Venezuela.³²

Not until President Ahmadinejad's rule began in 2005, however, did Iran aggressively work to increase its diplomatic and economic linkages with Latin American countries. A major rationale for this increased focus on Latin America was Iran's efforts to overcome its international isolation and reduce the effect of increasing sanctions. The personal relationship between Ahmadinejad and Venezuelan President Hugo Chávez also drove the strengthening of bilateral ties. The two nations signed a variety of agreements in agriculture, petrochemicals, oil exploration in the Orinoco region of Venezuela, the manufacturing of automobiles, and housing. Weekly flights between the two countries began in 2007 but were curtailed in September 2010.³³ The State Department had expressed concern about these flights, maintaining that they were only subject to cursory immigration and customs controls.

Venezuela under Hugo Chávez also played a key role in the development of Iran's expanding relations with other countries in the region. This outreach largely focused on leftist governments

²⁹ See testimony of Douglas Farah, president, IBC Consultants LLC, before the House Financial Services Committee, Subcommittee on Monetary Policy and Trade, Hearing on "A Legislative Proposal Entitled the 'Bank Account Seizure of Terrorist Assets (BASTA) Act,'" July 17, 2014, at <http://financialservices.house.gov/uploadedfiles/hhrg-113-ba19-wstate-dfarah-20140717.pdf>

³⁰ Ely Karmon, "Iran in Latin America: President Rouhani's Era," International Institute for Counter-Terrorism (Herzliya, Israel), October 21, 2014.

³¹ For additional background on Iran and its foreign policy, see CRS Report R44017, *Iran's Foreign Policy*, by (name redacted) .

³² Farideh Farhi "Tehran's Perspective on Iran-Latin American Relations," in *Iran in Latin America: Threat or 'Axis of Annoyance'?*, Woodrow Wilson International Center for Scholars, 2009 (based on July 2008 conference), edited by Cynthia Arnson, Haleh Esfandiari, and Adam Stubits, available at http://www.wilsoncenter.org/sites/default/files/Iran_in_LA.pdf.

³³ "House Foreign Affairs, Subcommittee on Middle East and South Asia, and Subcommittee on Western Hemisphere, and House Oversight and Government Reform, Subcommittee on National Security, Homeland Defense and Foreign Operations Hold Joint Hearing on Venezuela's Sanctionable Activity," *CQ Congressional Transcripts*, June 24, 2011; and "House Foreign Affairs Committee Holds Hearing on Threats and Security in the Western Hemisphere," *CQ Congressional Transcripts*, October 13, 2011.

that share the goal of reducing U.S. influence in the region. Iran's relations have grown with Bolivia under President Evo Morales, with Ecuador under President Rafael Correa, and with Nicaragua under President Daniel Ortega. While Iran has promised assistance and investment to these countries, observers maintain that there is little evidence that such promises have been fulfilled.³⁴

From 2006-2013, Iranian President Ahmadinejad visited Latin America eight times, most often Venezuela, but he also visited Bolivia, Brazil, Ecuador, Nicaragua, and Cuba. In 2012, Ahmadinejad undertook two trips to the region: a visit in January to Cuba, Ecuador, Nicaragua, and Venezuela and a June trip to Brazil to attend the U.N. Conference on Sustainable Development in Rio de Janeiro (which notably did not include bilateral meetings with the Brazilian government) along with side trips to Bolivia and Venezuela.

While Ahmadinejad's January 2012 trip to Venezuela, Nicaragua, Cuba, and Ecuador increased concerns of some U.S. policymakers about Iran's efforts to deepen ties with Latin America, some policy analysts and U.S. officials contend that the trip was not successful. Analysts point out that leaders' statements during these trips were largely propaganda, with the official Iranian press trumpeting relations with these countries in order to show that Iran is not isolated internationally and that it has good relations with countries geographically close to the United States.³⁵ The January 2012 trip was restricted to meeting with four leftist governments that have often opposed U.S. policy in the region and have limited regional influence. The fact that the tour notably did not include a trip to Brazil to meet with President Dilma Rousseff detracted from the significance of the visit to the region. A close adviser to Ahmadinejad maintained in an interview in the Brazilian press that President Rousseff had "destroyed years of good relations" between Iran and Brazil.³⁶ Director of National Intelligence James Clapper testified before Congress in late January 2012 that while the U.S. intelligence community remained concerned about Iran's connection with Venezuela, Ahmadinejad's trip to Latin America "was not all that successful."³⁷

On the diplomatic front, Iran under President Ahmadinejad opened six embassies in Latin America by 2009—Bolivia, Chile, Colombia, Ecuador, Nicaragua and Uruguay. This was in addition to existing embassies in Argentina, Brazil, Cuba, Mexico, and Venezuela.³⁸ In January 2012, Iran also launched a Spanish-language satellite TV network as part of its ideological battle to counter what it views as biased reporting—then-President Ahmadinejad said that it would help end the West's "hegemony" of the airwaves.³⁹ Reports that Iran was building a large embassy in

³⁴ For example, see Kavon "Hak" Hakimzadeh, "Iran & Venezuela: The Axis of Annoyance," *Military Review*, May 1, 2009; and Anne-Marie O'Connor and Mary Beth Sheridan, "Iran's Invisible Nicaragua Embassy; Feared Stronghold Never Materialized," *Washington Post*, July 13, 2009. Also see "House Foreign Affairs Committee Holds Hearing on Democracy in Nicaragua," *CQ Congressional Transcripts*, December 1, 2011.

³⁵ Comments by Stephen Johnson, Center for Strategic and International Studies, and Afshin Molavi, New America Foundation, at a January 19, 2012, event sponsored by the Council of the Americas (Washington, DC) on "Iran in the Americas: A Readout of the Visit."

³⁶ Simon Romero, "Iranian Adviser Accuses Brazil of Ruining Relations," *New York Times*, January 24, 2012. Subsequently, the Iranian adviser denied part of the interview and stressed that relations between Iran and Brazil are good; see "Iranian Aide Says Foreign Media Distorted His Interview on Ties with Brazil," *BBC Monitoring Newsfile* (text of report by Iranian official government news agency IRNA), January 24, 2012.

³⁷ "Senate Select Intelligence Committee Holds Hearing on Worldwide Threats," *CQ Congressional Transcripts*, January 31, 2012.

³⁸ Anne-Marie O'Connor and Mary Beth Sheridan, "Iran's Invisible Nicaragua Embassy; Feared Stronghold Never Materialized," *Washington Post*, July 13, 2009.

³⁹ Jim Wyss, "Iran's HispanTV Aims to Woo Latino Viewers," *Miami Herald*, January 31, 2012.

Managua, Nicaragua, turned out to be erroneous.⁴⁰ Other reports that Iran's embassy in Venezuela is one of the largest in the world were also inaccurate. State Department officials maintained that there are many embassies in Caracas that have a diplomatic presence far larger than that of Iran, including the U.S. Embassy.⁴¹

An April 2010 unclassified Department of Defense report to Congress on Iran's military power (required by Section 1245 of the National Defense Authorization Act for FY2010, P.L. 111-84) maintained that Iran's Qods Force, which maintains operational capabilities around the world, had increased its presence in Latin America in recent years, particularly in Venezuela.⁴² At the same time, however, then-commander of the U.S. Southern Command, General Douglas Fraser, maintained that the focus of Iran in the region was diplomatic and commercial and that he had not seen an increase in Iran's military presence in the region.⁴³ In July 2012, General Fraser maintained in a press interview that Iran's relationship with Venezuela was primarily diplomatic and economic and that Iran's ties with Venezuela did not amount to a military alliance.⁴⁴

In October 2011, the Department of Justice filed criminal charges against a dual Iranian-American citizen from Texas, Manssor Arbabsiar, and a member of Iran's Qods Force in Iran, Gholam Shakuri, for their alleged participation in a bizarre plot to kill the Saudi Ambassador in Washington, DC. The indictment alleged that Arbabsiar met several times in Mexico City with an informant of the U.S. DEA posing as a member of one of Mexico's most violent drug trafficking organization, Los Zetas, and had arranged to hire the informant to murder the ambassador with the financial support of Shakuri.⁴⁵ Arbabsiar subsequently pled guilty and was sentenced in May 2013 to 25 years in prison.⁴⁶

At the time, U.S. officials expressed concern about the implications of the failed Iranian plot on the nexus between terrorist and criminal groups as well as on Iran's intentions. The DEA testified in November 2011 that the alleged plot "illustrates the extent to which terrorist organizations will align themselves with other criminals to achieve their goals."⁴⁷ Director of National Intelligence

⁴⁰ Ibid.; and Sylvie Lanteaume, "Iran's Hand in Latin America Not as U.S. Feared," Agence France Presse, July 14, 2009.

⁴¹ "House Foreign Affairs, Subcommittee on Middle East and South Asia, and Subcommittee on Western Hemisphere, and House Oversight and Government Reform, Subcommittee on National Security, Homeland Defense and Foreign Operations Hold Joint Hearing on Venezuela's Sanctionable Activity," *CQ Congressional Transcripts*, June 24, 2011.

⁴² Department of Defense, "Unclassified Report on Military Power of Iran," April 2010. For the full text of the report, see http://www.politico.com/static/PPM145_link_042010.html. For background on the Qods Force, see CRS Report RL32048, *Iran, Gulf Security, and U.S. Policy*, by (name redacted).

⁴³ Anne Flaherty, "Pentagon Says Iran's Reach in Latin America Doesn't Pose Military Threat," AP Newswire, April 27, 2010. General Fraser reiterated that Iran's focus in Latin America has been "primarily diplomatic and commercial," in March 30, 2011, testimony before the House Armed Services Committee. See "Hearing of the House Armed Services Committee; Subject FY2012 National Defense Authorization Budget Requests for the U.S. Southern Command, U.S. Northern Command, and U.S. European Command," *Federal News Service*, March 30, 2011.

⁴⁴ Frank Bajak, "Top U.S. General: Venezuela Not a National Security Threat," Associated Press, July 31, 2012.

⁴⁵ U.S. Department of Justice, "Two Men Charged in Alleged Plot to Assassinate Saudi Arabian Ambassador to the United States," press release, October 11, 2011, available at <http://www.justice.gov/opa/pr/2011/October/11-ag-1339.html>.

⁴⁶ U.S. Department of Justice, U.S. Attorney's Office, Southern District of New York, "Manssor Arbabsiar Sentenced in Manhattan Federal Court to 25 years in Prison for Conspiring with Iranian Military Officials to Assassinate the Saudi Arabian Ambassador to the United States," May 30, 2013.

⁴⁷ U.S. Congress, House Committee on Foreign Affairs, Subcommittee on Terrorism, Nonproliferation, and Trade, *Narcoterrorism and the Long Reach of U.S. Law Enforcement, Part II*, 112th Cong., 1st sess., November 17, 2011, Serial No. 112-81 (Washington: GPO, 2011), written testimony of Derek S. Maltz, Special Agent in charge of the Special Operations Division, Drug Enforcement Administration.

(DNI) James Clapper stated before the Senate Select Committee on Intelligence in January 2012 that the plot to kill the Saudi Ambassador shows that “some Iranian officials ... are now more willing to conduct an attack in the United States,” and he expressed concern “about Iranian plotting against U.S. or allied interests overseas.”⁴⁸ In March 2013, DNI Clapper again testified before the Senate Select Committee on Intelligence that the failed 2011 plot against the Saudi Ambassador in Washington showed that Iran may be willing to attack in the United States in response to perceived offenses against the regime.⁴⁹

As noted above, another reason for U.S. concerns about Iran’s deepening relations with Latin America is its ties to Hezbollah, which along with Iran, is reported to have been linked to two bombings against Jewish targets in Argentina in the early 1990s. In recent years, U.S. concerns regarding Hezbollah in Latin America have focused on its fundraising activities among sympathizers in the region, particularly the tri-border area (TBA) of Argentina, Brazil, and Paraguay (see **Figure 2**), but also in other parts of the region.⁵⁰ At the same time, U.S. officials point out that Hezbollah’s primary funding is from Iran and not from fundraising activities in Latin America. The Brazilian city of Foz do Iguaçu and the Paraguayan city of Ciudad del Este have large Muslim populations. The TBA has long been used for arms and drug trafficking, contraband smuggling, document and currency fraud, money laundering, and the manufacture and movement of pirated goods.

For further on U.S. policy, see “Policy Related to Iran and Hezbollah in Latin America” below.

⁴⁸ Testimony of Director of National Intelligence James Clapper, January 31, 2012, op. cit.

⁴⁹ James R. Clapper, Director of National Intelligence, “Worldwide Threat Assessment of the US Intelligence Community,” Statement for the Record, Senate Select Committee on Intelligence, March 12, 2013.

⁵⁰ For additional background, see *Threat Convergence in South America’s Tri-Border Area (TBA)*, The Fund for Peace, Center for the Study of Threat Convergence, Factsheet Series, January 11, 2010; and Rensselaer Lee, “Dispatches: The Tri-Border-Terrorism Nexus,” *Global Crime*, Vol. 9, No 4, November 2008.

Figure 2. Tri-Border Area of Argentina, Brazil, and Paraguay

Source: CRS.

AMIA Bombing Investigation and Death of Alberto Nisman

Argentine Special Prosecutor Alberto Nisman was appointed to lead the AMIA investigation in 2004. Until then, progress on the investigation and prosecution of those responsible for the 1994 bombing had been stymied because of the government's mishandling of the case. In September 2004, a three-judge panel acquitted all 22 Argentine defendants in the case and faulted the shortcomings of the original investigation. With Nisman's appointment in 2004, however, the government moved forward with a new investigation. As a result, an Argentine judge issued arrest warrants in November 2006 for nine foreign individuals: an internationally wanted Hezbollah militant from Lebanon, Imad Mughniyah (subsequently killed by a car bomb in Damascus, Syria, in 2008), and eight Iranian government officials. INTERPOL, the International Criminal Police Organization, subsequently posted Red Notices (international wanted persons notices) in 2007 for Mughniyah and five of the Iranian officials: Ali Fallahijan, Mohsen Rabbani, Ahmad Reza Asghari, Ahmad Vahidi (Iran's current defense minister), and Mohsen Rezaei.⁵¹ In 2009, Argentina also issued an arrest warrant for the capture of Samuel Salman El Reda, a Colombian citizen thought to be living in Lebanon, alleged to have coordinated a Hezbollah cell that carried out the bombing; he was subsequently added to the INTERPOL Red Notice list.

The State Department's 2011 terrorism report maintained that Argentina continued its efforts to bring to justice those suspected in the AMIA bombing but noted that the government had shifted

⁵¹ INTERPOL, media release, "INTERPOL General Assembly Upholds Executive Committee Decision on AMIA Red Notice Dispute," November 7, 2007. The three other Iranians wanted by Argentina not included on INTERPOL's red notice list are former President Ali Akbar Hashemi-Rafsanjani, former Foreign Minister Ali Akbar Velayati, and former Iranian Ambassador to Argentina Hadi Soleimanpour.

its stance with respect to engagement with Iran over the issue. In 2011, President Cristina Fernández de Kirchner indicated Argentina's willingness to enter into a dialogue with the Iranian government despite its refusal to turn over suspects in the case. Several rounds of talks with Iran were held in 2012, with Argentine Foreign Minister Hector Timerman leading the effort.

In January 2013, Argentina announced that it had reached an agreement with Iran and signed a memorandum of understanding, to establish a joint Truth Commission made up of impartial jurists from third countries to review the bombing case. After extensive debate, Argentina's Congress completed its approval of the agreement on February 28, 2013. Argentina's two main Jewish groups, AMIA and the Delegation of Israeli Associations (DAIA), strongly opposed the agreement because they believe that it could guarantee impunity for the Iranian suspects.⁵² Several U.S. Members of Congress also expressed their strong concerns about the Truth Commission because they believed it could jeopardize Argentina's AMIA investigation and charges against the Iranians.

In May 2013, Nisman issued a 500-page report alleging that Iran has been working for decades in Latin America, setting up intelligence stations in the region by utilizing embassies, cultural organizations, and even mosques as a source of recruitment. In the report, Nisman highlighted the key role of Mohsen Rabbani (one of eight Iranian officials wanted by Argentina for the AMIA bombing) as Iran's South America "coordinator for the export of revolution," working in the tri-border countries of Argentina, Brazil, and Paraguay as well as in Chile, Colombia, and Uruguay.⁵³ The report also highlighted the role of Guyanese national Abdul Kadir, who Nisman maintained was an intelligence agent working for Iran and a follower of Rabbani, in establishing an Iranian intelligence network in Guyana. Kadir, a former member of Guyana's parliament, is serving a life sentence in the United States for his role in a 2007 plot to bomb a jet fuel artery at John F. Kennedy International Airport in New York. The Nisman report contended that the 1994 AMIA bombing was not an isolated act but was part of a regional strategy involving Iran's establishment of intelligence bases in several countries utilizing political, religious, and cultural institutions that could be used to support terrorist acts.

In May 2014, an Argentine court declared unconstitutional the agreement with Iran to jointly investigate the AMIA bombing. Special Prosecutor Nisman had maintained that the agreement with Iran constituted an "undue interference of the executive branch in the exclusive sphere of the judiciary."⁵⁴ The Fernández government maintained that it would appeal the ruling to Argentina's Supreme Court.

On January 14, 2015, Nisman made explosive accusations that President Fernández and other government officials attempted to whitewash the AMIA investigation in order to secure oil supplies from Iran and restore Argentina's grain exports to Iran. However, just four days later, and one day before he was to testify before Argentina's Congress, Nisman was found dead in his apartment from a gunshot wound. While preliminary reports had indicated Nisman committed suicide, a majority of Argentines, including President Fernández, contend that Nisman was murdered. The President maintains that Nisman was misled into making the accusations against her government by elements in Argentina's Intelligence Secretariat (SI) that had conducted illegal wiretaps of government officials.⁵⁵ Nisman's death prompted a massive demonstration in

⁵² "A Perverse Manoeuvre in Argentina," *Latin News Daily*, February 28, 2013.

⁵³ Alberto Nisman, Fiscal General, Ministerio Público de la Nación, Argentina, Dictamina, May 29, 2013.

⁵⁴ "Argentine Court Declares Bombing Probe with Iran Unconstitutional," Agence France Presse, May 16, 2014.

⁵⁵ Fernández called for the dissolution of the SI, and in late February 2015, Argentina's Congress approved a measure setting up a new intelligence service, the Federal Agency of Investigations (AFI).

Argentina, with tens of thousands of participants. A federal prosecutor in Argentina pursued Nisman's case against President Fernández related to Iran, but it was thrown out by several Argentina courts and was ultimately dismissed by country's highest appellate court in April 2015.⁵⁶ While the investigation into Nisman's death continues, many observers are skeptical that the truth will be uncovered.

In the aftermath of Nisman's death, Argentina's Attorney General appointed a team of four lawyers in February 2015 to continue the work of the AMIA investigation. Court proceedings began in Buenos Aires during the first week of August 2015 against 13 former officials alleged to be involved in efforts to cover up the 1994 bombing investigation. The suspects include former President Carlos Menem (1989-1999), former judge Juan José Galeano, two former prosecutors who conducted investigations during the 1990s, three former intelligence officials, two former police officials, a former head of DAIA, and the owner of a van used in the AMIA bombing.⁵⁷

U.S. Policy

As in other parts of the world, the United States has assisted Latin American and Caribbean nations over the years in their struggle against terrorist or insurgent groups indigenous to the region. For example, in the 1980s, the United States supported the government of El Salvador with significant economic and military assistance in its struggle against a leftist guerrilla insurgency. In recent years, the United States has employed various policy tools to combat terrorism in the Latin America and Caribbean region, including sanctions, antiterrorism assistance and training, law enforcement cooperation, and multilateral cooperation through the OAS. Moreover, given the nexus between terrorism and drug trafficking, one can argue that assistance and sanctions aimed at combating drug trafficking organizations in the Andean region have also been a means of combating terrorism by cutting off a source of revenue for terrorist organizations. The same argument can be made regarding efforts to combat money laundering in the region.⁵⁸

U.S. attention to terrorism issues in Latin America increased in the aftermath of the 9/11 terrorist attacks on New York and Washington. Antiterrorism assistance increased along with bilateral and regional cooperation against terrorism. Congress approved the Bush Administration's request in 2002 to expand the scope of U.S. assistance to Colombia beyond a counternarcotics focus to include counterterrorism assistance to the government in its military efforts against drug-financed leftist guerrillas and rightist paramilitaries. Border security with Mexico also became a prominent issue in bilateral relations, with attention focused on the potential transit of terrorists through Mexico to the United States.

Policy Related to Iran and Hezbollah in Latin America

Since 2011, some in Congress have focused extensively on concerns regarding the activities of both Iran and Hezbollah in the region. Several House and Senate committee hearings have been held, and most significantly, in December 2012, Congress enacted the Countering Iran in the Western Hemisphere Act of 2012 (P.L. 112-220). As enacted, the measure required the Secretary

⁵⁶ Jonathan Gilbert, "Federal Prosecutor Drops Kirchner Conspiracy Case," *New York Times*, April 21, 2015.

⁵⁷ "Trial on Cover-up of Bombing Set to Begin Next Week," *Buenos Aires Herald*, July 30, 2015; "AMIA Cover-up Case Reaches Trial Phase," *Buenos Aires Herald*, August 2, 2015.

⁵⁸ For background on interaction between criminal organizations and terrorist groups, see CRS Report R41004, *Terrorism and Transnational Crime: Foreign Policy Issues for Congress*, by (name redacted) and (name redacted).

of State to conduct an assessment within 180 days of the “threats posed to the United States by Iran’s growing presence and activity in the Western Hemisphere” and to develop a strategy to address these threats.

Submitted to Congress in late June 2013, the State Department report was mostly classified but, as specified in the law, also included an unclassified summary of policy recommendations.⁵⁹ The State Department maintained in the unclassified portion of the report that “Iranian influence in Latin America and the Caribbean is waning” because of U.S. diplomatic outreach, the strengthening of allies’ capacity to disrupt illicit Iranian activity, international nonproliferation efforts, a strong sanctions policy, and Iran’s poor management of its foreign relations. The report also stated that current U.S., European Union, and U.N. Security Council sanctions have limited the economic relationship between the region and Iran. Given that the State Department report was completed before Rouhani came to power, Iran’s influence in the region arguably could have declined further since his assumption of the presidency.

The State Department report outlined four lines of action that the U.S. government is undertaking to decrease Iran’s presence and influence in the region:

- **border security and enforcement**, in which the United States works closely with nations in the hemisphere to detect and disrupt illicit travel, trade, proliferation, and smuggling by Iran and its surrogates or proxies;
- **diplomacy**, in which the United States encourages nations in the hemisphere to join efforts to persuade Iran to address concerns about its nuclear program, support for terrorism, and human rights abuses;
- **sanctions**, in which the United States continues to monitor closely all sanctionable activity by Iran and its surrogates and proxies and is prepared to take appropriate action to address such activities; and
- **intelligence sharing** with allies and partners to collect information on Iranian activities in the hemisphere, provide information about malign Iranian activities, and work with partner nations to ensure they have the capacity to detect and address subversive Iranian actions before or when they occur.

The State Department’s 2014 terrorism report stated that “the United States remained vigilant in its efforts to monitor Iran’s influence in the Western Hemisphere.” Its 2013 terrorism report had stated that “Iran’s influence in the Western Hemisphere remained a concern,” but also noted that “due to strong sanctions imposed on the country by both the United States and the EU, Iran has been unable to expand its economic and political ties in Latin America.”

As in past years, the 2014 terrorism report asserted that there was no confirmation of operational cells of either Al Qaeda or Hezbollah in the hemisphere, but noted that ideological sympathizers in the region continued to “provide financial and ideological support to these and terrorist groups in the Middle East and South Asia.” The report also reiterated the concern that the tri-border area of Argentina, Brazil, and Paraguay “remained an important regional nexus of arms, narcotics, and human smuggling, counterfeiting, pirated goods, and money laundering—all potential funding sources for terrorist organizations.”

In presenting the 2015 posture statement of the U.S. Southern Command (SOUTHCOM) to Congress in March 2015, General John Kelly maintained that Iran had established more than 80

⁵⁹ U.S. Department of State, “Annex A, Unclassified Summary of Policy Recommendations,” included in report to Congress required by the Countering Iran in the Western Hemisphere Act of 2012 (P.L. 112-220), June 2013.

cultural centers in a region with an extremely small Muslim population. He stated that “as the foremost state sponsor of terrorism, Iran’s involvement in the region and these cultural centers is a matter for concern, and its diplomatic, economic, and political engagement is closely monitored.”⁶⁰ In SOUTHCOM’s 2014 posture statement, Kelly had stated that Iran’s involvement in the Western Hemisphere was “a matter for concern.”⁶¹ In the 2013 posture statement, Kelly had stated that “Iran is struggling to maintain influence in the region,” and that “its efforts to cooperate with a small set of countries with interests that are inimical to the United States are waning.” According to General Kelly in 2013, in a comment made before Rouhani was elected, while “the Iranian regime has increased its diplomatic and economic outreach across the region with nations like Venezuela, Bolivia, Ecuador, and Argentina,” the “outreach has only been marginally successful ... and the region as a whole has not been receptive to Iranian efforts.”⁶²

In SOUTHCOM’s 2015 posture statement, Kelly noted that Hezbollah has supporters and sympathizers in Lebanese diaspora communities in Latin America, with some involved in lucrative illicit activities like money laundering and trafficking in drugs and counterfeit goods. He stated that “these clan-based networks exploit corruption and lax law enforcement” in the TBA and the Colon Free Trade Zone in Panama and transfer an unknown amount of money to Lebanese Hezbollah.⁶³ General Kelly also maintained in his oral testimony that “Islamic extremist ... organizations are not very well entrenched in my part of the world.” He stated: “I don’t see any direct terrorist threat right now.” Kelly noted, however, that “there is a fair amount of activity by both Iran and recruiting, or at least attempts to recruit, by other Islamic extremist organizations.” He stated that “close to 100 young people” in the Caribbean region “have gone to Syria to fight for the Islamic extremist organizations.”⁶⁴

U.S. Sanctions

The United States currently imposes sanctions on two groups in Colombia (ELN and FARC) and one group in Peru (SL) designated by the Department of State as FTOs. Official designation of such groups as FTOs triggers a number of sanctions, including visa restrictions and the blocking of any funds of these groups in U.S. financial institutions. The designation also has the effect of increasing public awareness about these terrorist organizations and the concerns that the United States has about them. Numerous groups, individuals, and companies in the region with links to the above and other terrorist groups (such as Hezbollah) have also been sanctioned by the Treasury Department for drug trafficking under the Foreign Narcotics Kingpin Designation Act, Executive Order 13224 (Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism), and Executive Order 12978 (Blocking Assets and Prohibiting Transactions with Significant Narcotics Traffickers). As discussed above, the United States included Cuba on its list of state sponsors of terrorism since 1982, pursuant to

⁶⁰ Posture statement of General John F. Kelly, Commander, U.S. Southern Command, before the 114th Congress, Senate Armed Services Committee, March 12, 2015, available at http://www.armed-services.senate.gov/download/kelly_03-12-15.

⁶¹ Posture statement of General John F. Kelly, Commander, U.S. Southern Command, before the 113th Congress, House Armed Services Committee, February 26, 2014.

⁶² Posture statement of General John F. Kelly, Commander, U.S. Southern Command, before the 113th Congress, Senate Armed Services Committee, March 19, 2013.

⁶³ Kelly, Posture statement, 2015, op. cit.

⁶⁴ Senate Committee on Armed Services, “Hearing to Receive Testimony on U.S. Northern Command and U.S. Southern Command in Review of the Defense Authorizations Request for Fiscal Year 2016 and the Future Years Defense Program,” March 12, 2015, stenographic transcript.

Section 6(j) of the EAA and other laws, but rescinded Cuba's designation in May 2015. Venezuela currently remains on the annual Section 40A AECA list of countries that are not cooperating fully with U.S. antiterrorism efforts.

As described below, the United States has also imposed financial sanctions on several Venezuelan government and military officials for supporting the FARC's weapons and drug trafficking, and has imposed sanctions on three Venezuelan companies for their support of Iran. With regard to Hezbollah, the United States has imposed sanctions on individuals and companies in the region—including in Colombia and Venezuela and in the TBA of South America—for providing financial support to the organization. The Department of Justice has also pursued cases against entities and individuals involving a drug money laundering network in the region with ties to Hezbollah.

Venezuela and FARC-Related Sanctions

To date, the United States has imposed financial sanctions against seven current or former Venezuelan government and military officials for providing support to the FARC. In September 2008, the Treasury Department froze the assets of the former interior minister, Ramón Rodríguez Chacín, and two senior intelligence officials, General Henry Rangel Silva and General Hugo Carvajal (who served as Venezuela's Director of Military Intelligence between 2004 and 2011), for allegedly helping the FARC with weapons and drug trafficking.⁶⁵

Rodríguez Chacín was elected as governor of the state of Guárico in December 2012. General Rangel was appointed by President Chávez as defense minister in January 2012, an action that raised concern among U.S. policymakers. He stepped down in October 2012 and went on to win the governorship of the Venezuelan state of Trujillo in December 2012 elections.

On July 23, 2014, Aruban authorities detained retired General Carvajal at the request of the U.S. government, but he was released on July 27 after Dutch officials ruled that Carvajal was protected by diplomatic immunity. Carvajal had been named as Venezuela's consul general to neighboring Aruba but had not yet been confirmed by the Dutch government. U.S. officials expressed deep disappointment with the decision of the government of the Netherlands to release Carvajal and concern about credible reports that the Venezuelan government threatened Aruba and the Netherlands to gain Carvajal's release. Some press reports allege that Venezuela threatened Aruba economically and militarily. On July 24, 2014, a Miami federal court unsealed an indictment against Carvajal, along with two other former Venezuelan officials, for conspiring with Colombian drug traffickers to export cocaine to the United States.⁶⁶

In September 2011, the Treasury Department imposed financial sanctions on four more Venezuelan officials for acting for or on behalf of the FARC, often in direct support of its narcotics and arms trafficking activities: Amilcar Jesus Figueroa Salazar, a member of Venezuela's delegation to the Latin American Parliament; Major General Cliver Antonio Alcalá Cordones of the Venezuelan Army; Freddy Alirio Bernal Rosales, a national legislator for the United Socialist Party of Venezuela (PSUV); and Ramon Isidro Madriz Moreno, an officer of Venezuela's intelligence service.⁶⁷

⁶⁵ U.S. Department of the Treasury, "Treasury Targets Venezuelan Government Officials Supporting the FARC," September 12, 2008; *Federal Register*, September 19, 2008, pp. 54453-54454.

⁶⁶ U.S. Department of State, Daily Press Briefing, July 28, 2014; Kejal Vyas and Juan Forero, "U.S. Indicts Three Top Ex-Venezuelan Officials," *Wall Street Journal*, July 25, 2014; and Kejal Vyas and Jose de Cordoba, "Aruba Says Venezuela Pressured It Militarily," *Wall Street Journal*, July 29, 2014.

⁶⁷ U.S. Department of the Treasury, "Treasury Designates Four Venezuelan Officials for Providing Arms and Security to the FARC," September 8, 2011; *Federal Register*, September 14, 2011, pp. 56875-56876.

Venezuela and Iran-Related Sanctions

To date, the United States has imposed sanctions against several Venezuelan companies because of their connections to Iran.

In 2008, the State Department imposed sanctions on the Venezuelan Military Industries Company (CAVIM) pursuant to the Iran, North Korea, and Syria Nonproliferation Act (P.L. 109-353) for allegedly violating a ban on technology that could assist Iran in the development of weapons systems.⁶⁸ The sanctions prohibited any U.S. government procurement or assistance to the company. While these sanctions expired in 2010, they were imposed once again in May 2011 for a two-year period and again in February 2013 for a two-year period.⁶⁹

In 2008, the U.S. Treasury Department imposed sanctions on an Iranian-owned bank based in Caracas, the Banco Internacional de Desarrollo, C.A., under Executive Order 13382 that allows the President to block the assets of proliferators of weapons of mass destruction and their supporters. The bank is linked to the Export Development Bank of Iran (EDBI), which the Treasury Department asserts has provided or attempted to provide services to Iran's Ministry of Defense and Armed Forces Logistics.⁷⁰

In May 2011, the United States imposed sanctions on Venezuela's state oil company, Petróleos de Venezuela S.A. (PdVSA), pursuant to the Comprehensive Iran Sanctions, Accountability, and Disinvestment Act of 2010 (P.L. 111-195), because the company provided \$50 million worth of reformat, an additive used in gasoline, to Iran between December 2010 and March 2011. Specifically, the State Department imposed three sanctions on PdVSA to prohibit it from competing for U.S. government procurement contracts, securing financing from the Export-Import Bank, and obtaining U.S. export licenses. The sanctions specifically exclude PdVSA subsidiaries (Citgo) and do not prohibit the export of oil to the United States.⁷¹

Hezbollah-Related Sanctions

The United States has also imposed sanctions on individuals and companies in Latin America for providing support to Hezbollah. At times, sanctions have been connected to law enforcement cases, including cases involving the U.S. DEA.

- Since 2006, the Treasury Department has sanctioned over a dozen individuals and several entities in the TBA for providing financial support to Hezbollah leadership in Lebanon.⁷²
- In June 2008, the Treasury Department imposed sanctions (pursuant to Executive Order 13224 as Specially Designated Global Terrorists) on two Venezuelans—

⁶⁸ Although the sanction became effective in August 2008, it was not published in the *Federal Register* until October 2008. See *Federal Register*, pp. 63226-63227, October 23, 2008.

⁶⁹ Department of State, "Bureau of International Security and Nonproliferation Imposition of Nonproliferation Measures Against Foreign Persons, Including a Ban on U.S. Government Procurement," 78 *Federal Register* 9768-9769, February 11, 2013.

⁷⁰ U.S. Department of the Treasury, press release, "Export Development Bank of Iran Designated as a Proliferator," October 22, 2008.

⁷¹ U.S. Department of State, "Seven Companies Sanctioned Under the Amended Iran Sanctions Act," fact sheet, May 24, 2011.

⁷² U.S. Congress, House Committee on Foreign Affairs, *Emerging Threats and Security in the Western Hemisphere: Next Steps for U.S. Policy*, 112th Cong., 1st sess., October 13, 2011, Serial No. 112-75 (Washington: GPO, 2011), written testimony of U.S. Department of the Treasury's Assistant Secretary for Terrorist Financing Daniel L. Glaser.

Ghazi Nasr al Din (a Venezuelan diplomat serving in Lebanon) and Fawzi Kan'an—for providing financial and other support to Hezbollah. U.S. citizens are prohibited from engaging in any transactions with the two Venezuelans, including any business with two travel agencies in Caracas owned by Kan'an.⁷³

- In October 2008, U.S. and Colombian investigators dismantled a cocaine trafficking and money laundering ring that reportedly used part of its profits to finance Hezbollah.⁷⁴
- In December 2010, the Treasury Department sanctioned Hezbollah's chief representative in South America, Bilal Mohsen Wehbe, for transferring funds collected in Brazil to Lebanon. He also reportedly had been responsible for overseeing Hezbollah's counterintelligence activities in the TBA.⁷⁵
- In February 2011, the Treasury Department identified the Lebanon-based Lebanese Canadian Bank (LCB) for its role in facilitating the money laundering activities of an international narcotics trafficking and money laundering network with ties to Hezbollah, and imposed sanctions that effectively prohibited the bank from operating in the United States. The Treasury Department maintained that the network was involved in moving illegal drugs from South America to Europe and the Middle East via West Africa.⁷⁶
- Following on from the U.S. investigation of the LCB, in November 2011, the Department of Justice announced the federal criminal indictment of Lebanese citizen Ayman Joumaa (who had been designated by the Treasury Department as a narcotics trafficker and money launderer in January 2011) for conspiring to coordinate shipments of cocaine from Colombia through Central America for sale to Los Zetas, one of Mexico's most violent drug trafficking organizations. The indictment alleged that Joumaa laundered hundreds of millions of dollars in drug trafficking proceeds from Europe, Mexico, the United States, and West Africa for cocaine suppliers in Colombia and Venezuela.⁷⁷ A civil indictment filed by the Department of Justice in December 2011 alleged that Joumaa's drug trafficking organization operates in Lebanon, West Africa, Panama, and Colombia; launders proceeds from illicit activities through various channels, including bulk cash smuggling operations and Lebanese exchange houses; and pays fees to Hezbollah to facilitate the transportation and laundering of the proceeds.⁷⁸
- In June 2012, the Treasury Department designated four additional individuals (including three dual Lebanese-Venezuelan citizens) and three companies (two in Colombia and one in Venezuela) involved in Ayman Joumaa's drug money laundering network. At the same time, a Lebanese Colombian national, Ali

⁷³ "Treasury Targets Hizballah in Venezuela," *States News Service*, June 18, 2008.

⁷⁴ "Colombia Ties Drug Ring to Hezbollah," *New York Times*, October 22, 2008.

⁷⁵ "Treasury Targets Hizballah Financial Network," *Department of the Treasury Documents*, press release, December 9, 2010.

⁷⁶ U.S. Department of the Treasury, "Treasury Identifies Lebanese Canadian Bank Sal as a Primary Money Laundering Concern," press release, February 10, 2011.

⁷⁷ U.S. Department of Justice, U.S. Attorney's Office—Eastern District of Virginia, "U.S. Charges Alleged Lebanese Drug Kingpin with Laundering Drug Proceeds for Mexican and Colombian Drug Cartels," press release, December 13, 2011; Jo Becker, "Beirut Bank Seen as a Hub of Hezbollah's Financing," *New York Times*, December 14, 2011.

⁷⁸ U.S. Drug Enforcement Administration, "DEA News: Civil Suit Exposes Lebanese Money Laundering Scheme for Hizballah," news release, December 15, 2011, available at <http://www.justice.gov/dea/pubs/pressrel/pr121511.html>.

Mohamad Saleh, was also designated as a Specially Designated Global Terrorist pursuant to Executive Order 13224 for directing and coordinating Hezbollah activity in Colombia.⁷⁹

- In July 2013, the Treasury Department designated two Colombian nationals as well as 29 other individuals and entities, including companies located in Colombia, Panama, and Israel as Specially Designated Narcotics Traffickers involved in a money laundering network connected to drug trafficking organizations, including one run by Ayman Joumaa noted above that has benefited Hezbollah.⁸⁰

U.S. Assistance and Other Support

The United States provides assistance to improve Latin American countries' counterterrorism capabilities through several types of programs administered by the Department of State, including an Anti-Terrorism Assistance (ATA) program, an Export Control and Related Border Security (EXBS) program, and a Conventional Weapons Destruction (CWD) program. The programs are funded through the Nonproliferation, Anti-terrorism, Demining, and Related Programs (NADR) foreign aid funding account.

The largest of these is the ATA program, which over the years has provided training and equipment to Latin American countries to help improve their capabilities in such areas as airport security management, hostage negotiations, bomb detection and deactivation, and countering terrorism financing. Such training was expanded to Argentina in the aftermath of the two bombings in 1992 and 1994. Assistance was also stepped up in 1997 to Argentina, Brazil, and Paraguay in light of increased U.S. concern over illicit activities in the tri-border area of those countries. In recent years, ATA for Western Hemisphere countries amounted to \$7.3 million in FY2013 and almost \$8 million in FY2014. For FY2015, the Administration requested \$5.1 million (estimates are not yet available), and for FY2016, it requested \$2.7 million, with \$1 million for Mexico, \$0.5 million for Colombia, and the balance for other Latin American countries through a regional program.

The EXBS program helps countries develop export and border control systems in order to prevent states and terrorist organizations from acquiring weapons of mass destruction, their delivery systems, and destabilizing conventional weapons. Latin American countries received \$2.89 million in EXBS funding in FY2013 and \$3 million in FY2014. For FY2015, the Administration requested \$3 million (estimates are not yet available), and, for FY2016, it requested \$2.87 million, with assistance slated for Argentina, Brazil, Chile, Mexico, Panama, and a regional program.

The sole recipient of CWD funding in Latin America is Colombia, where the program is helping government's demining program become self-sufficient. U.S. assistance increases Colombia's ability to successfully clear mines and improvised explosive devices placed by the FARC and the

⁷⁹ U.S. Department of the Treasury, "Treasury Targets Major Money Laundering Network Linked to Drug Trafficker Ayman Joumaa and a Key Hizballah Supporter in South America," press release, June 27, 2012, available at <http://www.treasury.gov/press-center/press-releases/Pages/tg1624.aspx>; Abraham Mahshie, "Hezbollah Financing Evolves Beyond Colombia's Muslim Communities," *Miami Herald*, December 19, 2013.

⁸⁰ U.S. Department of the Treasury, "Treasury Targets Major Money Laundering Network Operating Out of Colombia," Press Release, July 9, 2013, available at <http://www.treasury.gov/press-center/press-releases/Pages/jl2002.aspx>.

ELN. For FY2014, Colombia received \$3.5 million in CWD funding, while the Administration's request for both FY2015 and FY2016 was the same amount for each year.

A number of Latin American countries participate in U.S.-government port security programs administered by the Department of Homeland Security (DHS) and the Department of Energy. The Container Security Initiative (CSI) operated by the U.S. Customs and Border Protection of DHS uses a security regime to ensure that all containers that pose a potential risk for terrorism are identified and inspected at foreign ports before they are placed on vessels destined for the United States. Ten Latin American ports in Argentina, the Bahamas, Brazil, Colombia, the Dominican Republic, Honduras, Jamaica, and Panama participate in the CSI program. The Department of Energy's National Nuclear Security Administration administers the Megaports Initiative, a program that involves deploying radiation detection equipment in order to deter, detect, and interdict illicit trafficking in nuclear and radioactive materials. The Megaports Initiative is operational in ports in Argentina, Bahamas, Colombia, the Dominican Republic, Honduras, Jamaica, Mexico, and Panama.

The Department of Homeland Security's Immigration and Customs Enforcement (ICE) has partnered with several Latin American countries to establish Trade Transparency Units (TTUs) that facilitate exchanges of information in order to combat trade-based money laundering. TTUs have been established in Argentina, Brazil, Colombia, Ecuador, Guatemala, Mexico, Panama, and Paraguay.

Increased Regional Cooperation Since 9/11

Latin American nations strongly condemned the September 2001 terrorist attacks on the United States and took action through the OAS and the Rio Treaty to strengthen hemispheric cooperation against terrorism. The OAS, which happened to be meeting in Peru at the time, swiftly condemned the attacks, reiterated the need to strengthen hemispheric cooperation to combat terrorism, and expressed full solidarity with the United States. At a special session on September 19, 2001, OAS members invoked the 1947 Inter-American Treaty of Reciprocal Assistance, also known as the Rio Treaty, which obligates signatories to the treaty to come to one another's defense in case of outside attack. Another resolution approved on September 21, 2001, called on Rio Treaty signatories to "use all legally available measures to pursue, capture, extradite, and punish those individuals" involved in the attacks and to "render additional assistance and support to the United States, as appropriate, to address the September 11 attacks, and also to prevent future terrorist acts."

In the aftermath of 9/11, OAS members reinvigorated efforts of the Inter-American Committee on Terrorism (CICTE) to combat terrorism in the hemisphere. CICTE has cooperated on border security mechanisms, controls to prevent terrorist funding, and law enforcement and counterterrorism intelligence and information.⁸¹ It has worked on a wide range of capacity building and training programs, including border controls (covering maritime and aviation security, customs, and immigration), critical infrastructure protection (covering cybersecurity, major events security, and tourism security), counter-terrorism legislative assistance and combating terrorism financing, and strengthening strategies on emerging terrorist threats. At CICTE's 11th regular session held in March 2011, member states issued a declaration of renewed hemispheric commitment to enhance cooperation to prevent, combat, and eliminate terrorism. At CICTE's 12th regular session held in March 2012, member states focused on efforts to strengthen

⁸¹ See the website of the CICTE available at <http://www.cicte.oas.org/Rev/en/>.

cybersecurity in the Americas. In March 2013, CICTE held its 13th regular session, and member states adopted a resolution on strengthening cooperation to address terrorist financing and money laundering. At its 14th regular session held in February 2014, CICTE member states focused attention on how to counter criminal activities that may exacerbate the threat of terrorism, such as money laundering and trafficking in drugs, arms, and people, and how to strengthen criminal justice responses to acts of terrorism. At its 15th regular session held in March 2015, members adopted a declaration on the protection of critical infrastructure.

OAS members signed the Inter-American Convention Against Terrorism in June 2002. The Convention, among other measures, improved regional cooperation against terrorism, commits parties to sign and ratify U.N. antiterrorism instruments and take actions against the financing of terrorism, and denies safe haven to suspected terrorists. President Bush submitted the Convention to the Senate on November 12, 2002, for its advice and consent, and the treaty was referred to the Senate Foreign Relations Committee (Treaty Doc. 107-18). In the 109th Congress, the committee formally reported the treaty on July 28, 2005 (Senate Exec. Rept. 109-3), and on October 7, 2005, the Senate agreed to the resolution of advice and consent. The United States deposited its instruments of ratification for the Convention on November 15, 2005.

Legislative Initiatives and Oversight

Over the past several years, Congress has enacted legislation and held oversight hearings pertaining to terrorism issues in the Western Hemisphere. The 111th Congress enacted the Comprehensive Iran Sanctions, Accountability, and Disinvestment Act of 2010 (P.L. 111-195), signed into law July 1, 2010, which included a provision making gasoline sales to Iran subject to U.S. sanctions. The measure led to the sanctioning of Venezuela's state oil company in 2011 for sales to Iran. For many years, Congress has expressed concern about progress in Argentina's investigation of the 1994 AMIA bombing, with the House often passing resolutions on the issue around the time of the anniversary of the bombing on July 18. In the 111th Congress, H.Con.Res. 156 (Ros-Lehtinen), approved July 17, 2009, again condemned the AMIA bombing and urged Western Hemisphere governments to take actions to curb the activities that support Hezbollah and other such extremist groups.

The 112th Congress enacted the Countering Iran in the Western Hemisphere Act of 2012 (H.R. 3783, P.L. 112-220), which required the Administration to conduct an assessment and present "a strategy to address Iran's growing hostile presence and activity in the Western Hemisphere." The law also states that

it shall be the policy of the United States to use a comprehensive government-wide strategy to counter Iran's growing hostile presence and activity in the Western Hemisphere by working together with United States allies and partners in the region to mutually deter threats to United States interests by the Government of Iran, the Iranian Islamic Revolutionary Guards Corps (IRGC), the IRGC's Qods Force, and Hezbollah.

The 114th Congress has continued its oversight of terrorism concerns in Latin America and the Caribbean. On March 18, 2015, two subcommittees of the House Committee on Foreign Affairs—the Subcommittee on the Middle East and North Africa and the Subcommittee on the Western Hemisphere—held an oversight hearing on Iran and Hezbollah in the Western Hemisphere with private witnesses.⁸² On March 12, 2015, the Senate Armed Services Committee

⁸² U.S. Congress, House Committee on Foreign Affairs, Subcommittee on the Western Hemisphere and Subcommittee on the Middle East and North Africa, *Iran and Hezbollah in the Western Hemisphere*, Joint Hearing, 114th Cong., 1st sess., March 18, 2015, Serial No. 114-34 (Washington: GPO, 2015).

held a hearing on the U.S. Northern and Southern Commands in which SOUTHCOM Commander General John Kelly presented his command's 2015 posture statement. According to Kelly, "as the foremost state sponsor of terrorism, Iran's involvement in the region and these cultural centers is a matter for concern, and its diplomatic, economic, and political engagement is closely monitored."⁸³ (See "Policy Related to Iran and Hezbollah in Latin America" above for more on Kelly's testimony.)

Several legislative initiatives have also been introduced in the 114th Congress. S.Res. 167 (Rubio), introduced May 5, 2015, would call for a swift, transparent, and internationally backed investigation into Alberto Nisman's tragic death (the special prosecutor in the AMIA investigation); express serious concern about Iran's activities in Argentina and all of the Western Hemisphere; and urge the President to continue to monitor Iran's activities in Latin America and the Caribbean. As noted above, Congress did not take any legislative action to block the Administration's rescission of Cuba's designation as a state sponsor of terrorism. However, H.R. 274 (Rush), introduced in January 2015, would, among its provisions, have rescinded any determination of the Secretary of State in that Cuba has repeatedly provided support for acts of international terrorism. H.Res. 181 (King), introduced March 26, 2015, would call for the immediate extradition or rendering to the United States of all fugitives from justice who are receiving safe harbor in Cuba in order to escape prosecution or confinement for criminal offenses in the United States. As discussed above, for a number of years, the State Department has noted in its annual terrorism report Cuba's harboring of fugitives wanted in the United States.

Conclusion

For most countries in Latin America and the Caribbean, threats emanating from terrorism are low. The majority of terrorist acts in the region are perpetrated by Colombia's FARC or ELN and are limited to Colombia. Ongoing peace talks with the Colombian government has raised prospects for the resolution of those longstanding conflicts. In some countries, according to the Department of State, progress in countering terrorism has been limited by several factors, including corruption, weak governmental institutions, insufficient interagency cooperation, weak or nonexistent legislation, and a lack of resources.

In May 2015, for the 10th consecutive year, the State Department listed Venezuela as a country determined to be not cooperating fully with U.S. antiterrorism efforts. Cuba was removed from that list while the Administration also rescinded Cuba's designation as a state sponsor of terrorism. While some Members spoke against the Administration's action on Cuba, no resolutions of disapproval were introduced to block the rescission.

Some Members of Congress have expressed concern over the past several years about the activities of Iran and Hezbollah in Latin America. There is disagreement, however, over the extent and significance of Iran's activities in Latin America. A June 2013 State Department report to Congress maintained that Iran's influence in the region is waning. Many observers contend that Iran's relations with the region have further diminished under current Iranian President Hassan Rouhani, who took office in August 2013. An ongoing concern of Congress has been Argentina's efforts to investigate and prosecute those responsible for the 1994 AMIA bombing that killed 85 people. The shocking January 2015 death of Alberto Nisman, the special prosecutor of the AMIA investigation, also raised concerns from some Members of Congress.

⁸³ Posture statement of General John F. Kelly, Commander, U.S. Southern Command, before the 114th Congress, Senate Armed Services Committee, March 12, 2015.

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