



# Latin America: Terrorism Issues

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## 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 cooperation. In its 2012 *Country Reports on Terrorism* (issued in May 2013), the State Department maintained that the threat of a transnational terrorist attack remained low for most countries in the hemisphere. It reported that the majority of terrorist attacks in the hemisphere were committed by the Revolutionary Armed Forces of Colombia (FARC). With regard to Mexico, the State Department maintained that “international terrorist organizations do not have a known operational presence in Mexico and no terrorist group targeted U.S. citizens in or from Mexican territory.”

Cuba has remained on the State Department’s list of state sponsors of terrorism since 1982 pursuant to Section 6(j) of the Export Administration Act. Both Cuba and Venezuela are 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. U.S. officials have expressed concerns over the past several years about Venezuela’s lack of cooperation on antiterrorism efforts, its relations with Iran, and potential support for Colombian terrorist groups, although improved Venezuelan-Colombian relations have resulted in closer cooperation on antiterrorism and counternarcotics efforts and border security.

Over the past several years, policymakers have been concerned about Iran’s increasing activities in Latin America. Concerns center on Iran’s attempts to circumvent U.N. and U.S. sanctions, as well as on its ties to the radical Lebanon-based Islamic group Hezbollah. Both Iran and Hezbollah are reported to be linked to two bombings against Jewish targets in Argentina in the early 1990s. A June 2013 State Department report to Congress on Iran’s activities in Latin America asserted that Iran’s influence in the region is waning. Critics maintain that the State Department is playing down the threat posed by Iran in the region, while others contend that while Iran’s involvement in the region is a concern, its level and significance are being exaggerated. As in past years, the State Department 2012 terrorism report maintains that there are no known operational cells of either Al Qaeda or Hezbollah in the hemisphere, but noted that “ideological sympathizers in South America and the Caribbean continued to provide financial and ideological support to those and other terrorist groups in the Middle East and South Asia.”

### Legislative Initiatives

In the 112<sup>th</sup> Congress, several legislative initiatives were introduced and several oversight hearings were held related to terrorism issues in the Western Hemisphere regarding Mexico, Venezuela, and the activities of Iran and Hezbollah in the region. Most significantly, the 112<sup>th</sup> 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 113<sup>th</sup> Congress is already continuing its oversight of terrorism concerns in the Western Hemisphere, especially the activities of Iran and Hezbollah. The State Department assessment of Iranian activities in the region and the U.S. strategy to address them already has been the subject of one oversight hearing. In terms of legislative initiatives, two have been introduced so far in the 113<sup>th</sup> Congress related to Cuba: H.R. 1917 (Rush), introduced May 9, 2013, would among its

provisions rescind any determination of the Secretary of State in effect on the date of enactment of the Act that Cuba has repeatedly provided support for acts of international terrorism; H.Res. 262 (King), introduced June 14, 2013, 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.

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## Recent Developments

On July 9, 2013, the House Homeland Security Committee, Subcommittee on Oversight and Management Efficiency, held a hearing on Iran's influence in the Western Hemisphere. (See "113th Congress" and "Iran's Activities in Latin America" below.)

On June 27, 2013, the State Department submitted to Congress a report required by the Countering Iran in the Western Hemisphere Act of 2012 (P.L. 112-220) on an assessment of the "threats posed to the United States by Iran's growing presence and activity in the Western Hemisphere" and on a strategy to address these threats. While the majority of the report was classified, it also included an unclassified summary of policy recommendations. The State Department maintained in the report that "Iranian influence in Latin America and the Caribbean is waning," and outlined several U.S. efforts to decrease Iran's presence and influence in the region. (See "State Department June 2013 Report on Iran in Latin America" below.)

On May 30, 2013, the State Department issued its *Country Reports on Terrorism 2012*, which stated as in past years that the threat of a transnational terrorist attack remained low for most countries in the Western Hemisphere. The majority of terrorist attacks in the hemisphere were committed by the Revolutionary Armed Forces of Colombia. (The State Department report is available at <http://www.state.gov/j/ct/rls/crt/2012/index.htm>.)

On May 29, 2013, Argentine Prosecutor Alberto Nisman, responsible for investigating the 1994 AMIA bombing, issued an extensive report maintaining 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. (See "Nisman Report" below.)

On May 10, 2013, Secretary of State John Kerry issued a determination and certification, pursuant to Section 40A of the Arms Export Control Act, that Cuba and Venezuela "are not cooperating fully with United States antiterrorism efforts." Other countries on the annual list are Eritrea, Iran, North Korea, and Syria. (See sections on "Cuba" and "Venezuela" below.)

On March 19 and 20, 2013, General John Kelly, head of the U.S. Southern Command (SOUTHCOM), testified before the Senate and House Armed Services Committees, respectively, 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." General Kelly stated that Iran's "outreach has only been marginally successful ... and the region as a whole has not been receptive to Iranian efforts." (See "Iran's Activities in Latin America" below.)

On March 7-8, 2013, the Inter-American Committee on Terrorism (CICTE) of the Organization of American States held its 13<sup>th</sup> regular session, which focused on hemispheric cooperation in combating terrorism and its financing. (See "Increased Regional Cooperation Since 9/11" below; also CICTE's website at [http://www.oas.org/en/sms/cicte/session\\_2013.asp](http://www.oas.org/en/sms/cicte/session_2013.asp).)

On February 28, 2013, Argentina's Congress approved the establishment of a joint Truth Commission with Iran to review the 1994 bombing of the Argentine-Israeli Mutual Association (AMIA) in Buenos Aires that killed 85 people and allegedly has been linked to Iran and Hezbollah. Argentina's Jewish community strongly opposed the agreement because they believe it could allow Iranian suspects to go unpunished. (For background on the AMIA investigation, see "Concerns about Hezbollah" 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 the war on terrorism, 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* highlights U.S. concerns about terrorist threats around the world, including in Latin America. The 2012 report (issued in May 2013) maintained that the majority of terrorist attacks in the region were perpetrated by the Revolutionary Armed Forces of Colombia. As in past years, the report maintained that the threat of a transnational terrorist attack remained low for most countries in the hemisphere.

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 2012 terrorism report noted that Iran continued to try to expand its presence and bilateral relationships in the region. In March 2013, General John Kelly, the head of the U.S. Southern Command (SOUTHCOM), testified before Congress 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." In late June 2013, the State Department maintained in a required report to Congress pursuant to the Countering Iran in the Western Hemisphere Act of 2012 (P.L. 112-220) that "Iranian influence in Latin America and the Caribbean is waning."

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 2012 terrorism report that there were no known 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." The report also stated that there were credible reports that Hezbollah engaged in fundraising and support activity in Venezuela.

There has been significant U.S. concern in recent years about the increasing and brutal violence of Mexico's drug trafficking organizations, with as many as 65,000 drug trafficking-related deaths in Mexico from 2007 through 2012. In response to some concerns that these criminal organizations may be adopting terrorist tactics, the State Department asserted in its 2010 and 2011 and terrorism reports that there was no evidence of ties between Mexican criminal groups and terrorist groups. The 2012 terrorism report stated "there was no evidence that these criminal organizations had political or ideological motivations, aside from seeking to maintain the impunity with which they conduct their criminal activities."

In terms of Latin American countries' abilities to combat terrorism, the State Department maintained in the terrorism report that regional governments "took modest steps to improve their counterterrorism capabilities and tighten border security" but that effective action was limited in some countries by "corruption, weak government institutions, insufficient interagency cooperation, weak or non-existent legislation, and a lack of resources."

The State Department currently lists two Latin American countries—Cuba and Venezuela—on its annual list of countries that are not “cooperating fully with United States antiterrorism efforts” pursuant to Section 40A of the Arms Export Control Act. The most recent annual determination was made in May 2013.<sup>1</sup> In addition, since 1982, Cuba has been on the State Department’s state sponsors of terrorism list pursuant to Section 6(j) of the Export Administration Act (EAA) of 1979. The state sponsors of terrorism list is not an annual list. Rather, countries remain on the list until either the President or Congress takes action to remove a country. The EAA sets forth procedures for the President to remove a country from the list.

## **Colombia<sup>2</sup>**

Three violent Colombian groups have been designated by the Secretary of State as Foreign Terrorist Organizations (FTOs): the leftist National Liberation Army (ELN), remaining elements of the demobilized rightist paramilitary United Self-Defense Forces of Colombia (AUC), and the leftist Revolutionary Armed Forces of Colombia (FARC). The State Department’s 2012 terrorism report maintains that the largest active terrorist group, the FARC, and the smaller ELN continued to increase their attacks over 2012 despite the launch of formal peace talks in October 2012 between the FARC and the Colombian government. According to the report, in the first 10 months of 2012 there were 716 terrorist attacks around the country, an increase of 52% over the number of attacks in 2011 during the same period. The report observes there was a decline in attacks in the second half of 2012 associated with the ongoing peace talks.<sup>3</sup> However, the FARC’s enactment of a unilateral ceasefire, which lasted from November 20, 2012, to January 20, 2013, had no effect on the ELN’s attacks nor did it completely stop FARC attacks. The report maintains that one impact of the ongoing peace talks and the government’s adoption of a new counterinsurgency plan in June 2012 may have been an uptick in the number of FARC and ELN killed or captured in combat, which in 2012 increased by 11% for the FARC and 53% for the ELN over the prior year.

The most common terror attacks in Colombia in 2012 were mortar attacks on police stations or the military, explosive devices placed along paths or roads, sniper attacks, and ambushes. The sharp increase in infrastructure attacks was a notable development in 2012 particularly on oil and gas pipelines and equipment.

The ELN reportedly has a membership of around 2,000 fighters (although some observers maintain that it is less than 1,500) with diminished resources and reduced offensive capability, but has continued to undertake attacks and inflict casualties. In recent years, the ELN has been involved in joint attacks with the FARC. Past peace talks between the ELN and the Colombian government ended in 2008. The ELN has indicated a strong willingness to join the peace talks between the government and the FARC that began formally in Oslo, Norway, in October 2012 and continue in Havana, Cuba. The government has resisted the participation of the ELN in the talks with the FARC which are under time pressure to produce results by the close of 2013, but has indicated its interest in pursuing separate talks with the ELN if the ELN will return its kidnap victims (including high profile recent cases involving foreigners) and end the practice. The ELN

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<sup>1</sup> Department of State, “Determination and Certification Under Section 40A of the Arms Export Control Act,” 77 *Federal Register* 32000, May 28, 2013.

<sup>2</sup> For additional information, see CRS Report RL32250, *Colombia: Background, U.S. Relations, and Congressional Interest*, by June S. Beittel.

<sup>3</sup> U.S. Department of State, “Country Reports on Terrorism 2012,” op cit.

and the FARC, who have often conflicted in the past, announced in early July 2013 their respective leaders had reached an accord to form a “single revolutionary guerrilla movement.” In the early July announcement, FARC negotiators pressed the government to include both groups at the negotiating table, but left open the possibility that ELN leaders may choose to open separate talks with the government.<sup>4</sup>

With more than 32,000 members demobilized between 2003 and 2006, the AUC remained inactive as a formal organization and did not carry out any terrorist attacks in 2011, according to the Department of State, but some former AUC paramilitaries have continued to engage in criminal activities, mostly drug trafficking, in newly emerging criminal organizations (known as BACRIM, *Bandas Criminales Emergentes*). Some human rights groups contend that these successor groups to the paramilitaries are tolerated by Colombian public security forces.<sup>5</sup>

Over the past several years, the FARC has been weakened significantly by the government’s military campaign against it, including the killings of several FARC commanders in 2007 and the group’s second in command, Raúl Reyes, during a Colombian government raid on a FARC camp in Ecuador on March 1, 2008. In May 2008, the FARC admitted that its long-time leader, Manuel Marulanda, had died of a heart attack in March. In July 2008, a Colombian military operation in the southeastern province of Guaviare rescued 15 long-held hostages, including three U.S. defense contractors held since February 2003—Thomas Howes, Keith Stansell, and Marc Gonsalves; Colombian Senator and presidential candidate Ingrid Betancourt; and other Colombians. The Colombian military dealt a 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. Even more significantly, in early November 2011, the Colombian military killed top FARC leader Alfonso Cano in a bombing raid in the department of Cauca in southwestern Colombia. In the aftermath of Cano’s death, Rodrigo Londoño, also known as Timoleón Jiménez or Timochenko, a long-time member of the FARC Secretariat, was chosen as the FARC’s new leader in mid-November 2011. More recently, in September 2012, a top FARC commander, Danilo García, and 15 other FARC members were killed in a military raid in the northern department of Norte de Santander.

The FARC is still estimated to have a strength of around about 8,000-9,000, with the group responsible for terrorist attacks, destruction of infrastructure, extortion, and kidnappings. In late November 2011, the FARC executed four hostages who had been held for more than a decade when the Colombian military approached a guerrilla camp in the southern department of Caqueta. In February 2012, the FARC announced that they would end their practice of kidnapping for ransom.

In late August 2012, the Colombian government announced that it had begun exploratory peace talks with the FARC. As noted earlier, formal talks began in Norway in October 2012, and have continued in Cuba. Public support for the peace process remains cautious and has fluctuated. While a large majority of Colombians supported President Juan Manuel Santos’ initiative to

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<sup>4</sup> Jim Wyss, “Colombia’s Largest Guerrilla Group Wants Smaller ELN to Join Peace Talks,” *Miami Herald*, June 2, 2013; Carlos Caicedo, “FARC Demands Inclusion of All Insurgents in Colombian Peace Process,” *IHS Global Insight Daily Analysis*, July 2, 2013. “Colombia’s FARC and ELN Moot Unity,” *LatinNews Daily*, July 2, 2013.

<sup>5</sup> See for example, Human Rights Watch, *World Report 2012: Colombia*, available at <http://www.hrw.org/world-report-2012/colombia>



launch the negotiations, a February 2013 poll found that only 20% thought the talks would end in a peace accord.<sup>6</sup> President Santos says he will discontinue the talks in November 2013 if they have not made sufficient progress toward bringing to an end the nearly half century-long internal armed conflict. Many observers have noted the considerable political risks associated with initiating a peace process with the FARC given hardened public opinion against the FARC, both in Colombia and internationally.<sup>7</sup> On the other hand, expressions of support for the peace negotiations from governments in the region, the Obama Administration, and international organizations such as the United Nations have been strong and widespread.

In developments in 2013, the Colombian military destroyed a large FARC-controlled drug storage center in the southwestern department of Cauca in March, reportedly seizing 3.9 tons of cocaine and equipment with the capacity to process up to one ton of cocaine a day.<sup>8</sup> In March 2013 testimony before the House and Senate Armed Services Committee, General John Kelly, commander of U.S. Southern Command, stated that the hundreds of millions of dollars in drug revenue that the FARC receives enables them to purchase surface-to-air missiles and fund the construction of “narco-subs.”<sup>9</sup> However, the Colombian Defense Minister subsequently disputed the claim that the FARC has surface-to-air missiles.<sup>10</sup>

Colombian terrorist groups have continued to use territory of several of Colombia’s neighbors—Ecuador, Panama, Peru, and Venezuela—according to the State Department’s terrorism report (**Figure 1**). The FARC has training and logistical supply camps along Ecuador’s northern border with Colombia. 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. According to the 2011 terrorism report, Ecuador’s military has conducted limited operations against the FARC’s trafficking, training, and logistical resupply camps along the northern border. Ecuador’s actions, however, were reported to be affected by resource constraints and limited capabilities. Under Colombian President Santos, who took office in August 2010, the two countries made progress in improving bilateral relations, and restored diplomatic relations in December 2010. The 2012 terrorism report noted that the FARC continued to use Ecuadorian territory for safe haven.

In Panama, a small number of FARC members from the group’s 57<sup>th</sup> Front have 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 this presence by patrolling the province and conducting raids against FARC camps. Panama has cooperated closely with Colombia to secure its border, and in June 2013 agreed to establish a joint operations

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<sup>6</sup> See Cameron Combs and Tim Heine, *Debating the Prospects For Peace in Colombia*, Latin America Working Group Report, Inter-American Dialogue, April 2013.

<sup>7</sup> For more background on the FARC-government peace talks and the challenges they face, see CRS Report R42982, *Peace Talks in Colombia*, by June S. Beittel.

<sup>8</sup> “Colombia’s FARC Denies Link to Drug Haul,” *LatinNews Daily Report*, March 18, 2013.

<sup>9</sup> General John F. Kelly, Commander, United States Southern Command, Posture Statement, Senate Armed Services Committee, March 19, 2013, available at <http://www.armed-services.senate.gov/statemnt/2013/03%20March/Kelly%2003-19-13.pdf>; and Jason Sherman, “DOD: Colombian Rebel Group Has Acquired Surface-To-Air Missiles,” *Inside Defense*, March 28, 2013.

<sup>10</sup> Vivian Sequera, “Colombia Officials: No Evidence Rebels Have Surface-to-Air Missiles,” *Associated Press*, April 4, 2013.

base on the common border.<sup>11</sup> In early July 2013, Panamanian President Ricardo Martinelli contended that Panama's security forces had 100% control of Panamanian territory in the Darien border area, compared to 2009 when the FARC controlled 25% of Darien.<sup>12</sup>

In Peru, the FARC uses remote areas along the Colombian-Peruvian border to regroup and make arms purchases, according to the State Department terrorism report. The FARC is also reported to fund coca cultivation and cocaine production among the Peruvian population in border areas.

With regard to Venezuela, both the FARC and 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. (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 ELN in its territory.<sup>13</sup> In July 2010, the Uribe government presented evidence at the OAS of FARC training camps in Venezuela. In response, Venezuela suspended diplomatic relations on July 22, 2010, yet less than three weeks later new Colombian President Santos met with 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 dialogue. Venezuela has captured and returned to Colombia several members of the FARC and ELN. The State Department's 2012 terrorism report maintained that the FARC used Colombia's border areas with Venezuela for incursions into Colombia, and also used Venezuelan territory for safe haven, but it noted that several times during the year, President Chávez said that the Venezuelan government would not permit the presence of illegal armed groups in its territory.

In 2012, Colombian-Venezuelan security cooperation extended to the capture of wanted Colombian drug kingpin Daniel Barrera (alias "El Loco") in September. Barrera was captured in the Venezuelan border state of Táchira in a joint operation and had allegedly served as a bridge between the FARC, rightwing paramilitaries, and some of Colombia's largest drug trafficking organizations for two decades.<sup>14</sup> (In early July 2013, Colombia extradited Barrera to the United States to face drug charges.) In the aftermath of President Chávez's death in early March 2013, most observers believe that Venezuelan cooperation with Colombia on border security issues will continue.

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<sup>11</sup> "Panama and Colombia Announce Construction of a Joint Base in Darién," *Forecast International Defense Intelligence Newsletters*, June 24, 2013.

<sup>12</sup> "Afirma President Martinelli Que Panamá Está Libre de las FARC," *Agencia Mexicana de Noticias*, July 1, 2013.

<sup>13</sup> U.S. Department of State, *Country Reports on Terrorism 2010*, August 18, 2011, available at <http://www.state.gov/j/ct/rls/crt/2010/index.htm>.

<sup>14</sup> William Neuman and Jenny Carolina González, "Unlikely Joint Effort by U.S. and Venezuela Leads to a Drug Lord's Arrest," *Washington Post*, September 23, 2012; "Narco's Capture Boon for Colombia & Venezuela," *LatinNews Daily Report*, September 19, 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.

## Cuba<sup>15</sup>

The Department of State, pursuant to Section 6(j) of the Export Administration Act (EAA) of 1979, has included Cuba among its list of states sponsoring terrorism since 1982 (the other states currently on the list are Iran, Sudan, and Syria). Communist 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. As noted above, Cuba is also 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.

Cuba's retention on the terrorism list has been questioned by some observers. In general, those who support keeping Cuba on the list point to the government's history of supporting terrorist acts and armed insurgencies in Latin America and Africa. They point to the government's continued hosting of members of foreign terrorist organizations and U.S. fugitives from justice. Critics of retaining Cuba on the terrorism list maintain that it is a holdover of the Cold War. They argue that domestic political considerations keep Cuba on the terrorism list, while North Korea and Libya (before the overthrow of the Qadhafi regime) were removed, and maintain that Cuba's presence on the list diverts U.S. attention from struggles against serious terrorist threats.

In its *Country Reports on Terrorism 2012* report (issued May 30, 2013), the State Department maintained that reports suggested that Cuba was trying to distance itself from some members of the Basque Fatherland and Liberty (ETA) living on the island by not providing services to them, including travel documents. Cuba was reported to continue to provide safe haven to about two dozen ETA members. The State Department also reported that "in past years, some members of the Revolutionary Armed Forces of Colombia (FARC) were allowed safe haven in Cuba and safe passage through Cuba," but also noted that in November 2012, Cuba began hosting peace talks between the FARC and the Colombian government.<sup>16</sup> As in its 2011 report, the State Department stated in the 2012 terrorism report that "there was no indication that the Cuban government provided weapons or paramilitary training to terrorist groups."

Another issue noted in the 2012 terrorism report that has been mentioned for many years in the annual report is Cuba's harboring of fugitives wanted in the United States. The 2012 terrorism report maintained that Cuba provided support such as housing, food ration books, and medical care for these individuals. U.S. fugitives from justice in Cuba include convicted murderers and numerous hijackers, most of whom entered Cuba in the 1970s and early 1980s.<sup>17</sup> For example, Joanne Chesimard, also known as Assata Shakur, was added to the FBI's Most Wanted Terrorist list on May 2, 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.<sup>18</sup> In addition to Chesimard and other fugitives

<sup>15</sup> For additional information, see CRS Report R43024, *Cuba: U.S. Policy and Issues for the 113<sup>th</sup> Congress*, by Mark P. Sullivan. For background information, see archived CRS Report RL32251, *Cuba and the State Sponsors of Terrorism List* (August 22, 2006).

<sup>16</sup> Also see CRS Report R42982, *Peace Talks in Colombia*, by June S. Beittel.

<sup>17</sup> U.S. Department of State, *Country Reports on Terrorism 2007*, April 30, 2008.

<sup>18</sup> FBI, Most Wanted Terrorists, Joanne Deborah Chesimard, Poster, at (continued...)

from the past, a number of U.S. fugitives from justice wanted for Medicare and other types of insurance fraud reportedly have fled to Cuba in recent years.<sup>19</sup>

Cuba in recent years has returned wanted fugitives to the United States on a case by case basis. For example, in 2011, U.S. Marshals picked up a husband and wife in Cuba who were wanted for a 2010 murder in New Jersey,<sup>20</sup> while in April 2013, Cuba returned a Florida couple who had allegedly kidnapped their own children (who had been in the custody of the mother's parents) and fled to Havana.<sup>21</sup> 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. These include the return of Luis Posada Carriles, whom Cuba accused of plotting the 1976 bombing of a Cuban jet that killed 73 people (see further discussion of Posada below.) Cuba had also long sought the return of a militant Cuban exile, Orlando Bosch, whom Cuba also accused of responsibility for the 1976 airplane bombing (Bosch died in Florida in 2011).

In the 113<sup>th</sup> Congress, a House resolution was introduced June 14, 2013, H.Res. 262 (King), that would call for the immediate extradition or rendering to the United States of convicted felon William Morales and 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. In 1978, Morales, a member of the Puerto Rican militant group known as the Armed Forces of National Liberation (FALN), was maimed by a bomb he was making that blew off nine of his fingers. He was convicted in New York on weapons charges and sentenced to 89 years in prison, but in 1979 he escaped from New York's Bellevue Hospital and fled to Mexico, where he reportedly worked for a revolutionary group. In 1983, Morales was imprisoned in Mexico after a shootout with police; once his sentence was completed in 1988, Morales was allowed to go to Cuba, where he reportedly remains.<sup>22</sup>

The 2012 terrorism report also noted that Cuba became a member of the Financial Action Task Force of South America (GAFISUD), a regional group associated with the multilateral Financial Action Task Force (FATF), in December 2012. As such, Cuba has committed to adopting and implementing the 40 recommendations of the FATF pertaining to international standards on combating money laundering and the financing of terrorism and proliferation.<sup>23</sup> Cuba is scheduled

(...continued)

[http://www.fbi.gov/wanted/wanted\\_terrorists/joanne-deborah-chesimard/view](http://www.fbi.gov/wanted/wanted_terrorists/joanne-deborah-chesimard/view).

<sup>19</sup> For example, see The United States Attorney's Office, Southern District of Florida, "Thirty-three Defendants Charged in Staged Automobile Accident Scheme," Press Release, May 16, 2011; Legal Forum, Experts: Florida Couple May Not Be Welcome in Cuba," *Naples Daily News*, April 9, 2013; and Jay Weaver, "FBI Struggling to Catch Dozens of Fraud Fugitives Hiding in Cuba," *Miami Herald*, July 16, 2011.

<sup>20</sup> George Mast, "Murder Suspects Caught in Cuba," *Courier-Post* (New Jersey), September 30, 2011.

<sup>21</sup> Paul Haven and Peter Orsi, "Cuba Says It Will Give U.S. Florida Couple Who Allegedly Kidnapped Children," *Associated Press*, April 9, 2013.

<sup>22</sup> 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.

<sup>23</sup> Financial Action Task Force, International Standards on Combating Money Laundering and the Financing of Terrorism & Proliferation, The FATF Recommendations," February 2012, available at [http://www.gafisud.info/documentos/eng/40\\_Recommendations.pdf](http://www.gafisud.info/documentos/eng/40_Recommendations.pdf)

to undergo a GAFISUD mutual evaluation in 2014 examining its compliance and implementation of the FATF recommendations.<sup>24</sup>

As set forth in Section 6(j) of the Export Administration Act, a country's retention on the terrorism list may be rescinded in two ways. The first option is for the President to submit a report to Congress certifying that there has been a fundamental change in the leadership and policies of the government and that the government is not supporting acts of international terrorism and is providing assurances that it will not support such acts in the future. The second option is for the President to submit a report to Congress, at least 45 days in advance justifying the rescission and certifying that the government has not provided any support for international terrorism during the preceding six months, and has provided assurances that it will not support such acts in the future.

Another potential option to remove Cuba from the state sponsors of terrorism list is set forth in H.R. 1917 (Rush) introduced in the 113<sup>th</sup> Congress. Section 10 of the bill would rescind any determination of the Secretary of State in effect on the date of enactment of the Act that Cuba has repeatedly provided support for acts of international terrorism. The bill references not only Section 6(j) of the Export Administration Act (50 U.S.C. appendix 2504(j)), but also Section 620A of the Foreign Assistance Act of 1961 (22 U.S.C. 2371) and Section 40 of the Arms Export Control Act (22 U.S.C. 2780).

In February 2013, a press report claimed that high ranking State Department officials concluded that Cuba should not be on the state sponsors of terrorism list, but State Department officials contend that the report was incorrect and that there are no current plans to remove Cuba from the list.<sup>25</sup> Some observers maintain that Cuba's role in facilitating Colombia's peace talks could ultimately be a factor in removing Cuba from the list.

Cuba has been the target of various terrorist incidents over the years. As noted above, in 1976, a Cuban plane was bombed, killing 73 people. 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 late 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), as noted above, is also alleged to be involved in the 1976 Cuban airline bombing as well as the series of bombings in Havana in 1997.<sup>26</sup>

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

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<sup>24</sup> See the website of the GAFISUD at <http://www.gafisud.info/eng-index.php>

<sup>25</sup> Bryan Bender, "Talk Grows of Taking Cuba Off Terror List," *Boston Globe*, February 21, 2013; U.S. Department of State, Daily Press Briefing, February 21, 2013.

<sup>26</sup> Frances Robles, "An Old Foe of Castro Looks Back on His Fight," *Miami Herald*, September 4, 2003.

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 superseding indictment, which included additional criminal charges based on allegedly false statements made by Posada in 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.<sup>27</sup>

## Mexico<sup>28</sup>

In recent years, violence perpetrated by drug trafficking organizations (DTOs) in Mexico such as murder and kidnapping has spiked and reached a level of brutality many analysts have characterized as unprecedented. In the six-year term of Mexico's former President Felipe Calderón (2006-2012), homicides related to organized crime spiked, numbering between 47,000 and 65,000 depending on the source.<sup>29</sup> In December 2012, newly elected President Enrique Peña Nieto came to office pledging to shift the government's strategy to focus on violence reduction in Mexico and crime prevention. In the first six months in office, the new government claimed that organized crime-related homicides fell by 16.5% over the same period the prior year.<sup>30</sup> Although analysts have disputed the accuracy of the government's figures, an apparent decline in intentional homicides in the first five months of 2013 suggests that the homicide rate has stabilized or slightly declined since the beginning of the Peña Nieto Administration.<sup>31</sup> Nevertheless, the upsurge in crime in Mexico, spawned by the illicit drug trade, which has broadened into many other types of crime, and the brutality of the tactics (including grenades and car bombs), have led some analysts to liken certain DTO activities to those of terrorists or armed insurgents.<sup>32</sup>

Mexico is a major transit point for the lucrative cocaine trade and a major source and trafficking country for marijuana, methamphetamine, and heroin.<sup>33</sup> U.S. government estimates of the annual profits derived from drug trafficking that flow back to Mexico from the United States range

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<sup>27</sup> For additional information, see "Background on Luis Posada Carriles," CRS Congressional Distribution Memorandum, December 8, 2010, prepared by Mark P. Sullivan, Specialist in Latin American Affairs, and Michael John Garcia, Legislative Attorney. Available from the authors.

<sup>28</sup> For further background on Mexico, see CRS Report R41576, *Mexico's Drug Trafficking Organizations: Source and Scope of the Violence*, by June S. Beittel and CRS Report R42917, *Mexico's Peña Nieto Administration: Priorities and Key Issues in U.S.-Mexican Relations*, by Clare Ribando Seelke.

<sup>29</sup> Cory Molzahn, Octavio Rodriguez Ferreira, and David A. Shirk, *Drug Violence in Mexico: Data and Analysis Through 2012*, Trans-Border Institute (TBI), February 2013.

<sup>30</sup> James Bargent, "Mexico Govt: Organized Crime Murders Down for May," *Insight Crime: Organized Crime in the Americas*, June 7, 2013.

<sup>31</sup> While many observers have questioned the government's data on "organized crime-related homicides," there is less controversy about the government's reporting on total intentional homicides. According to the Mexican National Security System (SNSP), total homicides from January through May 2013 declined by 15% over the same period of 2012, and were the lowest for the same period in the last four years. "New Pattern of Criminality Emerges," *Latin American Security and Strategic Review*, June 2013.

<sup>32</sup> See, for example, Robert J. Bunker and John P. Sullivan, "Cartel Evolution Revisited: Third Phase Cartel Potentials and Alternative Futures in Mexico," *Small Wars & Insurgencies*, vol. 21, no. 1 (March 2010).

<sup>33</sup> U.S. Department of State, *2013 International Narcotics Control Strategy Report*, March 2013. For instance, according to the 2013 *INCSR* more than 90% of the cocaine seized in the United States transits the Central America/Mexico "corridor."

between \$8 billion and \$29 billion.<sup>34</sup> This highly lucrative market has generated fierce competition within and between the DTOs to control trafficking routes into the United States and for a share of the growing internal drug market inside Mexico.

The Calderón Administration made combating the drug trafficking organizations its central focus. It targeted top leaders or kingpins for removal by arrest or death in arrest efforts, leading to further fragmentation. A handful of larger DTOs that were dominant at the start of the Calderón Administration splintered, while two organizations became dominant. The two polarized rivals—the Sinaloa DTO in the western part of the country and Los Zetas in the east—remain the largest drug trafficking organizations in Mexico, and both have moved aggressively into Central America. Furthermore, the Mexican syndicates that traffic illegal drugs have diversified into other illicit activity including kidnapping, human trafficking, robbery, extortion, resource theft, product piracy, and other crimes. Many authorities now refer to the DTOs as “transnational criminal organizations (TCOs)” in recognition of their widespread diversification into other types of crime.

President Peña Nieto has tried to shift the national conversation to a more positive message about economic growth rather than remaining focused on the DTOs and the violence and mayhem that they cause. Yet his government continues to face a significant national security challenge. According to the new Attorney General, Mexico now faces a challenge from some 60-80 organized crime groups as a result of the use of the kingpin strategy employed by the Calderón government.<sup>35</sup> Over the past several years, the DTO-related violence has involved brazen and high profile crimes such as car bombings, deadly blockades, use of grenades, and at times even indiscriminate attacks involving civilians, although much of the violence has been between DTO rivals as well as engagement with Mexican security forces.<sup>36</sup> Homicides attributed to the DTOs have included beheadings, hangings, dismemberment of victims’ bodies, and torture. Some observers have labeled these violent tactics as similar to those of insurgents or terrorists. However, the DTO actions, while indeed 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 with the goal of destroying the government or undermining legitimate authority, except to continue to neutralize the government’s efforts to curtail their illicit businesses.

The State Department asserts in its 2012 terrorism report that: “International terrorist organizations do not have a known operational presence in Mexico, and no terrorist group

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<sup>34</sup> Several U.S. agencies have made estimates in recent years. For example, the U.S. Department of Homeland Security (DHS) estimates that between \$19 to \$29 billion generated by illicit drug sales in the United States flows back to Mexico each year. See DHS, Immigration and Customs Enforcement (ICE), *United States-Mexico Criminal Proceeds Study*, June 2010.

<sup>35</sup> Patrick Corcoran, “Mexico Has 80 Drug Cartels: Attorney General,” *In Sight: Organized Crime in the Americas*, December 20, 2012.

<sup>36</sup> 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 fifty, 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.



targeted U.S. citizens in or from Mexican territory.” The report lauds Mexico’s vigilance in avoiding terrorist threats and its law enforcement efforts to combat criminal organizations responsible for drug trafficking-related violence. The State Department maintains: “There was no evidence that these criminal organizations had political or ideological motivations, aside from seeking to maintain the impunity with which they conduct their criminal activities.”

Some analysts contend that characterizing the DTOs as terrorists misconstrues the problem. University of Pittsburgh Professor Phil Williams observes that the violence in Mexico compares to criminal violence in other settings such as mafia violence in Italy, blood feuds in Albania, and Russian contract killings in the 1990s.<sup>37</sup> 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 112<sup>th</sup> Congress introduced several legislative initiatives focused on the Mexican DTOs, although none became law. For example, H.R. 1270 (McCaul), introduced in March 2011, and an updated version, H.R. 4303 (McCaul), introduced in March 2012, called for the Secretary of State to designate as foreign terrorist organizations certain Mexican drug cartels. Other proposed legislation, such as H.R. 3401 (Mack), the Enhanced Border Security Act, ordered reported by the House Subcommittee on the Western Hemisphere, Committee on Foreign Affairs, on December 15, 2011, would have required a counterinsurgency plan “to combat the terrorist insurgency in Mexico waged by transnational criminal organizations.” (For more, see the discussion on Mexico in the “112th Congress” section below.)

## **Peru<sup>38</sup>**

The brutal Shining Path (Sendero Luminoso or SL) Maoist insurgency, which the Department of State has designated as an FTO, 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 2012 State Department terrorism report, SL “is well-entwined with coca cultivation and narcotics trafficking and remained a threat to Peru’s internal security.”

There are two remaining SL factions in Peru, one operating in the Apurimac, Ene, and Mantaro River Valleys (VRAEM) in the south led by Victor Quispe Palomino, also known as Comrade José, and the second operating in the Upper Huallaga River Valley (UHV) in the north that was led by Florindo Eleuterio Flores Hala (also known as Comrade Artemio) until he was captured in February 2012 (and sentenced to life in prison in June 2013). According to the 2012 terrorism report, the UHV faction still operates, but is severely limited in scope. The VRAE faction is much stronger and larger; in 2012, it had an estimated several hundred armed members and an unknown number of urban support fighters according to the State Department. The SL carried out 87 terrorist acts in 2012, with 19 people killed, including one civilian, according to the 2012 terrorism report. (Also see discussion above on the FARC’s activities in border areas with Colombia.) In 2013, SL terrorist acts have continued. The Peruvian military announced in June

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<sup>37</sup> 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.

<sup>38</sup> For further background on Peru, see CRS Report R42523, *Peru in Brief: Political and Economic Conditions and Relations with the United States*, by Maureen Taft-Morales.

2013 that some 21 new anti-terrorist bases would be completed in areas where guerrillas and drug traffickers are active.<sup>39</sup>

## **Venezuela<sup>40</sup>**

U.S. officials have expressed concerns over the past several years about Venezuela's lack of cooperation on antiterrorism efforts, President Hugo Chávez's past sympathetic statements for Colombian terrorist groups, 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 2013. As a result, the United States imposed an arms embargo on Venezuela in 2006, which ended all U.S. commercial arms sales and retransfers to Venezuela. (Other countries currently on the Section 40A list include Cuba, 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.) As discussed, below, the United States has imposed various sanctions on Venezuelan individuals and companies for supporting the FARC, Iran, and Hezbollah.

In its 2012 terrorism report, the State Department maintained that the Venezuelan government took 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 (see "Venezuela and FARC-Related Sanctions" below). It noted, however, that Venezuela and Colombia continued their dialogue on security and border issues, and that on several occasions in 2012, President Chávez, referring to the FARC and ELN, said that Venezuela would not permit the presence of illegal armed groups in Venezuelan territory. At the same time, the report maintained that the FARC used Colombia's border areas with Venezuela for incursions into Colombia, and also used Venezuelan territory for safe haven.

With regard to Venezuela's relations with Iran, the State Department's 2012 terrorism report maintained that "Venezuela maintained its economic, financial, and diplomatic cooperation with Iran." The report noted that in June 2012, "President Chávez unveiled an unarmed, unmanned-aerial vehicle that he claimed Venezuela had produced domestically with Iranian technology." In a July 2012 press interview, President Obama expressed general concern about "Iran engaging in destabilizing activity around the globe," but indicated that his "sense is that what Mr. Chávez has done over the past several years has not had a serious national security impact on us."<sup>41</sup> This was reiterated by the then-head of the U.S. Southern Command, General Douglas Fraser, who maintained that he did not see Venezuela as a "national security threat," and that Iran's connection with Venezuela was primarily diplomatic and economic.<sup>42</sup> In the aftermath of President Hugo Chávez's death in March 2013, some observers contend that without Chávez at the helm Venezuela's relations with Iran could eventually begin to wane, especially since the strengthening of bilateral relations in recent years was viewed by many analysts as being driven by the personal

<sup>39</sup> "Plans for More Bases as Sendero Strikes Again," *LatinNews Daily Report*, July 3, 2013.

<sup>40</sup> For additional background on Venezuela, see CRS Report R40938, *Venezuela: Issues for Congress*, by Mark P. Sullivan, and CRS Report R42989, *Hugo Chávez's Death: Implications for Venezuela and U.S. Relations*, by Mark P. Sullivan.

<sup>41</sup> "The Situation Room," Transcript, *CNN*, July 11, 2012; and Patricia Massei and Erika Bolstad, "Mitt Romney, GOP Howl Over President Barack Obama's Remark About Hugo Chávez," *Miami Herald*, July 11, 2012.

<sup>42</sup> Frank Bajak, "Top U.S. General: Venezuela Not a National Security Threat," *AP Newswire*, July 31, 2012.

relationship between Chávez and Iranian President Mahmoud Ahmadinejad. (For more, see “Iran’s Activities in Latin America.”)

Another reason for U.S. concerns about Iran’s deepening relations with Venezuela is its ties to Hezbollah, a State Department-designated Foreign Terrorist Organization. Hezbollah, along with Iran, is reported to have been linked to two bombings against Jewish targets in Argentina in the early 1990s, including the 1994 bombing of the Argentine-Israeli Mutual Association (AMIA) in Buenos Aires that killed 85 people (see **Error! Not a valid bookmark self-reference.** for background on the AMIA investigation). The United States has imposed sanctions on individuals and companies in Latin America for providing support to Hezbollah, including several Venezuelans. The State Department’s 2012 terrorism report reiterated a statement from the 2011 report that “there were credible reports that Hizballah sympathizers and supporters engaged in fundraising and support activity in Venezuela.” (For more, see “Concerns about Hezbollah” below.)

Past Venezuelan comments about potential Iranian support for the development of nuclear energy in Venezuela raised concerns among U.S. officials and other observers. In September 2009, President Chávez announced during a visit to Iran that Venezuela was working on a preliminary plan for the construction of a “nuclear village” in Venezuela with Iranian assistance so that “the Venezuelan people can count in the future on this marvelous resource for peaceful purposes.”<sup>43</sup> The transfer of Iranian nuclear technology from Iran would be a violation of U.N. Security Council Resolutions—1737 (2006), 1747 (2007), and 1803 (2008)—that imposed restrictions on Iran’s nuclear technology transfers. In September 2010, President Chávez maintained that his government was carrying out initial studies into starting a nuclear energy program. In October 2010, Russia agreed to help Venezuela build its first nuclear power plant, but in March 2011, in the aftermath of Japan’s nuclear plant disaster, President Chávez said that he was freezing plans for a nuclear power program.<sup>44</sup>

In September 2009, comments by Venezuelan officials offered conflicting information about Iran’s support for Venezuela’s search for uranium deposits. The then-Venezuelan Minister of Basic Industry and Mining Rodolfo Sanz said that Iran was assisting Venezuela in detecting uranium reserves in the west and southwest of Venezuela.<sup>45</sup> Subsequently, however, then-Venezuelan Minister of Science, Technology, and Intermediary Industry Jesse Chacon denied that Iran was helping Venezuela seek uranium, while Venezuela’s Minister of Energy Rafael Ramirez maintained that Venezuela has yet to develop a plan to explore or exploit its uranium deposits.<sup>46</sup> Observers point out that Venezuela does not yet mine uranium. U.N. Security Council Resolution 1929 (June 9, 2010) bars Iranian investment in uranium mining projects abroad.

In November 2010 and again in May 2011, an online German publication, *Die Welt*, alleged that Venezuela and Iran had signed an agreement in October 2010 for a jointly operated missile base

<sup>43</sup> “Iran Will Not Back Down on Nuclear Energy: Hugo Chávez” *Agence France Presse*, September 4, 2009.

<sup>44</sup> “Hugo Chávez Says Venezuela Is Studying Idea of Starting Peaceful Nuclear Energy Program,” *AP Newswire*, September 28, 2010; “Russia to Build Nuclear Power Plant in Venezuela,” *Reuters News*, October 15, 2010; Diego Ore, “Venezuela Halts Nuclear Program After Japan Disaster,” *Reuters News*, March 15, 2011.

<sup>45</sup> See the following press reports: “Iran Helps Venezuela Find Uranium Deposits,” *BBC Monitoring Caucasus*, September 26, 2009; and “Iran Helps Venezuela Find Uranium Deposits,” *Tehran Press TV Online*, September 26, 2009.

<sup>46</sup> “Venezuela Denies Iran is Helping It,” *New York Times*, September 27, 2009; and Fabian Cambero, “Interview: Venezuela Says No Plans Yet on Exploring Uranium,” *Reuters*, September 27, 2009.

in Venezuela.<sup>47</sup> The Department of State, however, maintains that there is no evidence to support such claims, and that there is no reason to believe that the assertions are credible.<sup>48</sup> Venezuela's foreign minister called the reports by the German newspaper "an extravagant lie."<sup>49</sup>

## **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 two senior intelligence officials—General Hugo Carvajal and General Henry Rangel Silva—and the former interior minister, Ramón Rodríguez Chacín, for allegedly helping the FARC with weapons and drug trafficking.<sup>50</sup> 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. Rodríguez Chacín also was elected as governor of the state of Guárico in December.

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.<sup>51</sup>

## **Venezuela Sanctions Related to Iran and Hezbollah**

The United States has imposed sanctions on three Venezuelan companies because of their alleged support for Iran, and also has imposed sanctions on Venezuelan individuals because of their support for Hezbollah, the radical Lebanon-based Islamic Shiite group supported by Iran.

To date, the United States has imposed sanctions on two companies in Venezuela because of connections to Iran's proliferation activities. In August 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.<sup>52</sup> The sanctions prohibited any U.S. government procurement or assistance to the company. While these sanctions expired in 2010, they were imposed once again on May 23, 2011, for a two-year period,<sup>53</sup> and

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<sup>47</sup> "Iran Planning to Build Missile Base in Venezuela," November 25, 2010, and "Venezuela, Iran Press Ahead with Missile Base," May 13, 2011, website of *Die Welt* online (as translated by Open Source Center).

<sup>48</sup> CRS correspondence with Department of State, January 5, 2011, and May 23, 2011; "Chávez Mocks Missile Base Reports," *CNN Wire*, June 1, 2011.

<sup>49</sup> "Chávez Mocks Missile Base Reports," *CNN Wire*, June 1, 2011.

<sup>50</sup> Phil Gunson, op. cit., September 13, 2008; *Federal Register*, September 19, 2008, pp. 54453-54454.

<sup>51</sup> U.S. Department of the Treasury, "Treasury Designates Four Venezuelan Officials for Providing Arms and Security to the FARC," Press Center, September 8, 2011.

<sup>52</sup> 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.

<sup>53</sup> U.S. Department of State, "Iran, North Korea and Syria Nonproliferation Act (INKSNA)," Fact Sheet, May 24, 2011; (continued...)

again on February 11, 2013, for a two-year period.<sup>54</sup> In October 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.<sup>55</sup>

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.<sup>56</sup>

In June 2008, the Treasury Department imposed sanctions on two Venezuelans—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.<sup>57</sup> More recently, in June 2012, the Treasury Department designated three dual Lebanese-Venezuelan citizens and a Venezuelan company for involvement in the Ayman Joumaa drug money laundering network that has links to Hezbollah. (For more see "Concerns about Hezbollah" below.)

## **Iran's Activities in Latin America**

Over the past several years, there has been concern among policymakers about Iran's growing interest and activities in Latin America, particularly its relations with Venezuela under President Hugo Chávez, although there has been disagreement over the extent and significance of Iran's relations with the region. Since 2006, Iranian President Ahmadinejad has visited Latin America eight times, most often Venezuela, but he has 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

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(...continued)

Department of State, "Bureau of International Security and Nonproliferation; Imposition of Nonproliferation Measures Against Foreign Persons, Including a Ban on U.S. Government Procurement," 76 *Federal Register* 30986-30987, May 27, 2011.

<sup>54</sup> 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.

<sup>55</sup> U.S. Department of the Treasury, Press Release, "Export Development Bank of Iran Designated as a Proliferator," October 22, 2008.

<sup>56</sup> U.S. Department of State, "Seven Companies Sanctioned Under the Amended Iran Sanctions Act," Fact Sheet, May 24, 2011.

<sup>57</sup> "Treasury Targets Hizballah in Venezuela," *States News Service*, June 18, 2008.

the Brazilian government) along with side trips to Bolivia and Venezuela. This year, Ahmadinejad attended the funeral for President Chávez, who died in early March 2013 after battling cancer.

Since 2011, Congress has 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, the 112<sup>th</sup> Congress enacted the Countering Iran in the Western Hemisphere Act of 2012, which was signed into law on December 28, 2012 (P.L. 112-220). As enacted, the measure required the Secretary 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 a strategy to address these threats. Submitted to Congress on June 27, 2013, the majority of the State Department report was classified, but as specified in the law, also included an unclassified summary of policy recommendations. The State Department maintained in the report that “Iranian influence in Latin America and the Caribbean is waning,” and outlined several U.S. efforts to decrease Iran’s presence and influence in the region. The 113<sup>th</sup> Congress has continued its interest on the issue through oversight hearings examining the State Department report. (For more, see “State Department June 2013 Report on Iran in Latin America” and “113th Congress” below.)

No matter the scope of Iran’s involvement in Latin America, 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 Iran perceives that threats to its survival may emanate, and in which Iran has, for ideological, religious, and political motives, tried to alter political outcomes in its favor. Whatever efforts Iran is making 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, in which Iran’s Islamic Revolutionary Guard Corps—Qods Force personnel are on the ground consistently, funneling arms and funds to pro-Iranian movements and parties. Interactions with national leaders and faction leaders in Middle Eastern and South and Central Asian countries such as these are frequent.<sup>58</sup>

## **Background on Iran in Latin America**

Iran’s ties to the region predate its recent increased attention. 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.<sup>59</sup>

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<sup>58</sup> This paragraph was authored by Kenneth Katzman, CRS Specialist in Middle Eastern Affairs. For additional background on Iran and its foreign policy, see CRS Report RL32048, *Iran: U.S. Concerns and Policy Responses*, by Kenneth Katzman.

<sup>59</sup> 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](http://www.wilsoncenter.org/sites/default/files/Iran_in_LA.pdf).

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 has been 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 have signed a variety of agreements in agriculture, petrochemicals, oil exploration in the Orinoco region of Venezuela, the manufacturing of automobiles, and housing. During an April 2009 trip to Tehran, Chávez and Ahmadinejad inaugurated a new development bank for economic projects in both countries, with each country reportedly providing \$100 million in initial capital. Weekly flights between the two countries began in 2007, but were curtailed in September 2010.<sup>60</sup> The State Department had expressed concern about these flights, maintaining that they were only subject to cursory immigration and customs controls.

Venezuela also has played a key role in the development of Iran's expanding relations with other countries in the region. This outreach has largely focused on leftist governments that share the goal of reducing U.S. influence in the region. In recent years, 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.<sup>61</sup>

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. President Ahmadinejad signed a number of agreements during his tour, but it is doubtful that this will lead to significant Iranian investment or financial support. Analysts point out that leaders' statements during these trips are 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.<sup>62</sup> 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.<sup>63</sup> Moreover, as noted above,

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<sup>60</sup> "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.

<sup>61</sup> 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.

<sup>62</sup> 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."

<sup>63</sup> 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.

President Rousseff did not meet with Ahmadinejad during his visit to Rio de Janeiro for a U.N. conference in June 2012.

Director of National Intelligence James Clapper testified before Congress in late January 2012 that while the U.S. intelligence community remains concerned about Iran's connection with Venezuela, Ahmadinejad's trip to Latin America "was not all that successful."<sup>64</sup> Some press accounts characterized Ahmadinejad's tour of the region as "lackluster" and a mere diplomatic show attempting to remind the world that Iran continues to have relations with countries in Latin America.<sup>65</sup> (Nevertheless, a March 2013 investigative report by the International Assessment and Strategy Center focused on a plan that emerged from Ahmadinejad's 2012 visit to Ecuador to use an Ecuadoran bank, Banco COFIEC, to open correspondent accounts with sanctioned Iranian banking institutions through a state-owned Russian bank.)<sup>66</sup>

Iran's trade with Latin America is miniscule, and for most countries in the region, non-existent. What trade there is largely consists of Latin American exports to Iran. In 2012, Brazil and Argentina were the largest traders in the region with Iran. Brazil exported some \$2.1 billion in products to Iran in 2012, with corn, sugar, and beef and corn accounting for the majority, although Brazil's total exports to Iran represented less than 1% of Brazil's exports globally. Argentina's exports to Iran amounted to almost \$1 billion in 2012 (largely vegetable oils and animal feed), but accounted for just 1.2% of Argentina's total exports.<sup>67</sup>

On the diplomatic front, Iran has opened embassies over the past several years in Bolivia, Ecuador, and Nicaragua, as well as in Chile, Colombia, and Uruguay. This is in addition to existing embassies in Argentina, Brazil, Cuba, Mexico, and Venezuela.<sup>68</sup> Iran also has 36 Shi'a cultural centers in 17 countries throughout the region, according to March 2012 congressional testimony of then SOUTHCOM Commander Douglas Frase.<sup>69</sup> In late 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—President Ahmadinejad said that it would help end the West's "hegemony" of the airwaves.<sup>70</sup> Reports that Iran was building a large embassy in Managua, Nicaragua (which even Secretary of State Hillary Clinton noted in public remarks) turned out to be erroneous.<sup>71</sup> Other reports that Iran's embassy in Venezuela is one of the largest in the world were also inaccurate. State Department officials maintain that there are many embassies in Caracas that have a diplomatic presence far larger than that of Iran, including the U.S. Embassy.<sup>72</sup>

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<sup>64</sup> "Senate Select Intelligence Committee Holds Hearing on Worldwide Threats," *CQ Congressional Transcripts*, January 31, 2012.

<sup>65</sup> Brian Ellsworth, "Iranian Leader Ends Lackluster Latin America Tour," *Reuters News*, January 13, 2012.

<sup>66</sup> Douglas Farah and Pamela Philips Lum, "Ecuador's Role in Iran's Latin American Financial Structure," International Assessment and Strategy Center, March 12, 2013, available at [http://www.strategycenter.net/research/pubID.304/pub\\_detail.asp](http://www.strategycenter.net/research/pubID.304/pub_detail.asp).

<sup>67</sup> Statistics drawn from *Global Trade Atlas*, which uses trade statistics reported by countries worldwide.

<sup>68</sup> Anne-Marie O'Connor and Mary Beth Sheridan, "Iran's Invisible Nicaragua Embassy; Feared Stronghold Never Materialized," *Washington Post*, July 13, 2009.

<sup>69</sup> U.S. Congress, Senate Committee on Armed Services, *Oversight: U.S. Southern Command and U.S. Northern Command*, Hearing, 112th Cong., 2nd sess., March 13, 2012.

<sup>70</sup> Jim Wyss, "Iran's HispanTV Aims to Woo Latino Viewers," *Miami Herald*, January 31, 2012.

<sup>71</sup> *Ibid.*; and Sylvie Lanteaume, "Iran's Hand in Latin America Not as U.S. Feared," *Agence France Presse*, July 14, 2009.

<sup>72</sup> "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 (continued...)"



**Concerns about Iran's Military and Potential Terrorist Activities.** 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.<sup>73</sup> 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.<sup>74</sup> 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.<sup>75</sup>

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. Drug Enforcement Administration (DEA) posing as a member 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.<sup>76</sup> Arbabsiar subsequently pled guilty and was sentenced in May 2013 to 25 years in prison.<sup>77</sup>

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."<sup>78</sup> Director of National Intelligence James Clapper stated before the Senate Select Committee on Intelligence in late January 2012 that the plot to kill the Saudi Ambassador shows that "some Iranian officials ... are now more

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(...continued)

Operations Hold Joint Hearing on Venezuela's Sanctionable Activity," *CQ Congressional Transcripts*, June 24, 2011.

<sup>73</sup> 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](http://www.politico.com/static/PPM145_link_042010.html). For background on the Qods Force, see CRS Report RL32048, *Iran: U.S. Concerns and Policy Responses*, by Kenneth Katzman.

<sup>74</sup> 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.

<sup>75</sup> Frank Bajak, "Top U.S. General: Venezuela Not a National Security Threat," *Associated Press*, July 31, 2012.

<sup>76</sup> 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>.

<sup>77</sup> U.S. Department of Justice, The United States 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.

<sup>78</sup> 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*, 112<sup>th</sup> Cong., 1<sup>st</sup> 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, available at <http://foreignaffairs.house.gov/112/mal111711.pdf>.

willing to conduct an attack in the United States,” and he expressed concern “about Iranian plotting against U.S. or allied interests overseas.”<sup>79</sup>

In December 2011, a documentary featured on the Spanish-language network *Univisión* alleged that Iranian and Venezuelan diplomats in Mexico tried to recruit Mexican students for plotting possible cyber attacks against the United States. There is no indication that U.S. officials have been able to corroborate the allegations in the documentary. However, the State Department subsequently declared persona non grata the Venezuelan Consul General in Miami, Livia Acosta, who had been based in Mexico at the time of the documentary.

### **Developments on Iran in Latin America in 2013**

To date in 2013, there have been several developments related to the role of Iran in Latin America. The death of Venezuelan President Hugo Chávez in March and the election of Hassan Rouhani in Iran raise questions about the future of Iran’s activities in the region. With regard to the Obama Administration’s views on Iran’s activities in the region, both the Director of National Intelligence, James Clapper, and the head of the U.S. Southern Command (SOUTHCOM), General John Kelly, testified to Congress in March with some specific discussion of the issue. Of note, General Kelly maintained that Iran is struggling to maintain influence in the region, and that the region overall has not been receptive to Iranian advances. In late June, the State Department released a required report to Congress in which it maintained that Iranian influence activity in the region is waning. Argentina reached an accord with Iran in January to establish a commission to review the 1994 bombing of a Jewish community center; there has been significant opposition to the commission in Argentina, especially from the Jewish community (see **Error! Not a valid bookmark self-reference.** below for information on the bombing investigation). The Argentine prosecutor in the bombing case, Alberto Nisman, released a 500-page report in late May contending that Iran has been working for decades to set up intelligence stations in Latin America.

### ***Death of Chávez and Departure of Ahmadinejad***

In the aftermath of Venezuelan President Hugo Chávez’s death in early March 2013, some observers contended that without Chávez at the helm, Venezuela’s relations with Iran would begin to wane. For many analysts, the growing relations between Iran and Latin America in recent years were driven by the personal relationship between Chávez and Iranian President Mahmoud Ahmadinejad. Still, some observers contend that Iran has increased its diplomatic and cultural presence in the region to an extent that it could stay active there. SOUTHCOM Commander General John Kelly maintained in mid-May 2013 comments at the Center for Strategic and International Studies that Iran has a sufficient foothold in the region to continue to develop relationships without President Chávez and beyond President Ahmadinejad.<sup>80</sup>

Under the rule of President Hugo Chávez, Venezuela played a key role in the development of Iran’s expanding relations with other countries of the region. As described above, the expanding

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<sup>79</sup> Testimony of Director of National Intelligence James Clapper, January 31, 2012, op. cit.

<sup>80</sup> General John F. Kelly, “A Conversation with General John F. Kelly, Commander, U.S. Southern Command,” Center for Strategic & International Studies, May 16, 2013, available at <http://csis.org/event/conversation-general-john-f-kelly-commander-us-southern-command>.

relations largely have focused on leftist governments that share the goal of reducing U.S. influence in the region. While newly elected Venezuelan President Nicolás Maduro maintains that he will visit Iran in the near future and reportedly asserted recently that “Venezuela is committed to continue strategic unity with Iran,” it is unclear whether the high level of relations with Iran will continue as under President Chávez.<sup>81</sup> Moreover, in the April 2013 presidential race, Maduro’s margin of victory was less than 2% of the vote over opposition candidate Henrique Capriles, who had vowed to cool ties with Iran and other Chávez-era allies. Looking ahead, a future opposition victory would likely result in changed Venezuelan policy toward Iran.

In Iran’s June 14, 2013, election, Hassan Rouhani, a mid-ranking cleric who campaigned as a relative moderate with support from the urban youth and intellectuals who rose up in 2009, defeated several harder line candidates. Rouhani, who takes office August 4, 2013, stressed during the campaign that Iran needs to end its isolation and improve relations with the West, including potentially the United States. In implementing that policy, Rouhani is considered highly unlikely to cultivate close alliances with leaders, such as those in Venezuela and Cuba, who are considered highly critical of the United States. Rouhani said almost nothing about Latin American during his campaign, and he is widely considered highly unlikely to emphasize Latin America in his foreign policy, focusing instead on improving Iran’s relations with the Persian Gulf states and possibly trying to shape to Iran’s advantage a diplomatic solution to the conflict in Syria.<sup>82</sup>

### *Administration Testimony to Congress on Iran in 2013*

On March 12, 2013, the Senate Select Committee on Intelligence held an open hearing on security threats to the United States. Director of National Intelligence (DNI) James Clapper, in presenting the worldwide threat assessment of the U.S. intelligence community, testified that Iran has been reaching out to Latin America and the Caribbean in an effort to decrease its international isolation. Clapper noted that Iran has cultivated ties with the leaders of Bolivia, Cuba, Ecuador, Nicaragua, and Venezuela, and that Iran’s relations with the governments of these countries offer a way for them “to stake out independent positions on the international issue of Iran, while extracting financial aid and investment for economic and social projects.” Similar to his testimony in 2012, the DNI maintained that the failed 2011 plot against the Saudi Ambassador in Washington, DC (that included a dual U.S.-Iranian national who thought he was working with a member of a Mexican drug trafficking operation) shows that Iran may be willing to attack in the United States in response to perceived offenses against the regime.<sup>83</sup>

In March 2013, SOUTHCOM Commander General John Kelly testified before the House and Senate Armed Services Committees 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, while “the Iranian regime has increased its diplomatic and economic outreach across the region with nations like Venezuela, Bolivia,

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<sup>81</sup> “Venezuelan President to Visit Iran Soon,” *BBC Monitoring Middle East*, June 19, 2013; “Venezuelan President Calls for Enhancement of Tehran-Caracas Ties,” *FARS News Agency*, June 17, 2013.

<sup>82</sup> This paragraph was authored by Kenneth Katzman, CRS Specialist in Middle Eastern Affairs. For additional background on Iran and its foreign policy, see CRS Report RL32048, *Iran: U.S. Concerns and Policy Responses*, by Kenneth Katzman.

<sup>83</sup> 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, available at <http://intelligence.senate.gov/130312/clapper.pdf>.

Ecuador, and Argentina,” the “outreach has only been marginally successful ... and the region as a whole has not been receptive to Iranian efforts.”<sup>84</sup> In his congressional testimony, General Kelly also raised questions about the potential nexus between international terrorist organizations and criminal networks in the region. He maintained that “the 2011 Iranian plot to assassinate the Saudi Ambassador to the U.S. demonstrates Iran is willing to leverage criminal groups to carry out its objectives in the U.S. homeland.”

### *State Department Country Reports on Terrorism 2012 (May 2013)*

The State Department’s *Country Reports on Terrorism 2012*, issued May 30, 2013, stated that Iran continued to try to expand its presence and bilateral relationships in the Western Hemisphere, and that the United States continued to monitor such activities. Beyond Latin America, however, the terrorism report stated that in 2012 there was a notable “resurgence of Iran’s state sponsorship of terrorism,” through its Islamic Revolutionary Guard Corps-Qods Force (IRGC-QF), its Ministry of Intelligence and Security (MOIS), and its ally Hezbollah. According to the report, “Iran and Hezbollah’s terrorist activity has reached a tempo unseen since the 1990s, with attacks plotted in Southeast Asia, Europe, and Africa.” The report also reiterated that the Qods Force had been implicated in the 2011 plot to assassinate the Saudi Ambassador to the United States in Washington, DC.

### *Nisman Report*

In late May 2013, Argentine Prosecutor Nisman in the AMIA bombing case issued a 500-page report maintaining 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.<sup>85</sup> In the report, Nisman highlighted the key role of Mohsen Rabbani (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. (Also see **Error! Not a valid bookmark self-reference.** on the AMIA bombing investigation.)

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, for 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. Convicted in 2010, Kadir admitted during his trial that he had regularly passed information to Iranian authorities about sensitive topics, including the Guyanese military, and believed that he was bound to follow fatwas from Iranian religious leaders.<sup>86</sup>

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<sup>84</sup> General John F. Kelly, Commander, United States Southern Command, Posture Statement, Senate Armed Services Committee, March 19, 2013, available at <http://www.armed-services.senate.gov/statemnt/2013/03%20March/Kelly%2003-19-13.pdf>.

<sup>85</sup> For a 31-page summary of the Nisman report in English, see the website of the Foundation for Defense of Democracies at [http://www.defenddemocracy.org/stuff/uploads/documents/summary\\_\(31\\_pages\).pdf](http://www.defenddemocracy.org/stuff/uploads/documents/summary_(31_pages).pdf).

<sup>86</sup> The United States Attorney’s Office, Eastern District of New York, “Abdul Kadir Sentenced to Life in Prison for Conspiring to Commit Terrorist Attack At JFK Airport,” Press Release, December 15, 2010. Two other individuals involved in the JFK bombing plot were convicted and received life sentences: Russell Defreitas, a naturalized U.S. citizen from Guyana, who was reported to have originated the plot; and Kareem Ibrahim, a citizen of Trinidad and (continued...)

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. Nisman maintained that he was passing copies of the report to the U.S. Department of Justice because of information related to the JFK airport bombing plot; he also was sending copies of the report to the judicial authorities of Brazil, Chile, Colombia, Guyana, Suriname, Trinidad and Tobago, and Uruguay because of information regarding Iranian activities in those countries.

### *State Department June 2013 Report on Iran in Latin America*

On June 27, 2013, the State Department submitted a required report to Congress pursuant to the Countering Iran in the Western Hemisphere Act of 2012 (P.L. 112-220). The majority of the State Department report was classified, but as specified in the law, it included an unclassified summary of policy recommendations. 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.

The State Department report outlined four lines of action that the U.S. government is currently 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.

### **Concerns about Hezbollah**

Another reason for U.S. concerns about Iran's deepening relations with Latin America is its ties to the radical Lebanon-based Islamic Shiite group Hezbollah, a State Department-designated Foreign Terrorist Organization. Hezbollah, along with Iran, is reported to have been linked to two bombings against Jewish targets in Argentina in the early 1990s: the 1992 bombing of the Israeli Embassy in Buenos Aires that killed 30 people and the 1994 bombing of the Argentine-Israeli Mutual Association (AMIA) in Buenos Aires that killed 85 people (see **Error! Not a valid bookmark self-reference.** on the AMIA investigation).

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Tobago. A fourth defendant in the case, Abdel Nur, a Guyanese citizen, pled guilty in 2010 and was sentenced to 15 years. For additional background on the case, see: CRS Report R41416, *American Jihadist Terrorism: Combating a Complex Threat*, by Jerome P. Bjelopera, pp. 105-107.

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.<sup>87</sup> (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. The State Department's 2012 terrorism report referred to the TBA as "a regional nexus of arms, narcotics and human smuggling, counterfeiting, pirated goods, and money laundering – all potential funding sources for terrorist organizations."

For several years, the State Department's annual report on terrorism reiterated U.S. concerns regarding fundraising activities by sympathizers of Hezbollah (and the Sunni Muslim Palestinian group Hamas) in the TBA, but the report also consistently asserted that "that there was no corroborated information ... that these or other Islamic extremist groups had an operational presence in the region."<sup>88</sup> In March 2011 congressional testimony, General Douglas Fraser, then commander of the U.S. Southern Command, maintained that he had not seen Hezbollah or Hamas growing in any capacity in the region, and reiterated that "primarily any support that they are giving is financial support, principally back to parent organizations in the Middle East."<sup>89</sup> The State Department's 2011 terrorism report asserted more broadly that there were no known operational cells of either Al Qaeda or Hezbollah in the hemisphere, but noted that "ideological sympathizers in South America and the Caribbean continued to provide financial and moral support to these and other terrorist groups in the Middle East and South Asia." Similar language appears in the State Department's 2012 terrorism report.

### Table I. AMIA Bombing Investigation

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 Rezai.<sup>90</sup> In 2009, Argentina also issued an arrest warrant for the capture of Samuel

<sup>87</sup> 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.

<sup>88</sup> U.S. Department of State, "Country Reports on Terrorism 2009," August 5, 2010.

<sup>89</sup> House Armed Services Committee Holds Hearing on the Defense Authorization Proposed Budget Requests for Fiscal 2012 and Future Years on the U.S. Southern Command, U.S. Northern Command, and U.S. European Command," *CQ Congressional Transcripts*, March 30, 2011.

<sup>90</sup> 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; former (continued...)

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 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 late January 2013, Argentina announced that it had reached an agreement with Iran 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.<sup>91</sup> Several U.S. Members of Congress also have expressed their strong concerns about the Truth Commission because they believe it could jeopardize Argentina's AMIA investigation and charges against the Iranians.

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



Source: CRS.

(...continued)

Iranian Ambassador to Argentina Hadi Soleimanpour.

<sup>91</sup> "A Perverse Manoeuvre in Argentina," *Latin News Daily*, February 28, 2013.

### *Hezbollah-Related Sanctions*

The United States has imposed sanctions on individuals and companies in the region for providing support to Hezbollah. 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.<sup>92</sup> 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 has been responsible for overseeing Hezbollah's counterintelligence activities in the TBA.<sup>93</sup>

Beyond the TBA, U.S. officials have expressed concern that Hezbollah is able to tap into the large Lebanese diaspora in Venezuela and elsewhere in Latin America.<sup>94</sup> As noted above in the section on "Venezuela," the Treasury Department imposed sanctions (pursuant to Executive Order 13224 as Specially Designated Global Terrorists) on two Venezuelans in June 2008—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.<sup>95</sup>

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.<sup>96</sup>

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.<sup>97</sup> A civil indictment filed by the Department of Justice in December

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<sup>92</sup> U.S. Congress, House Committee on Foreign Affairs, *Emerging Threats and Security in the Western Hemisphere: Next Steps for U.S. Policy*, 112<sup>th</sup> Cong., 1<sup>st</sup> 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 available at <http://foreignaffairs.house.gov/112/gla101311.pdf>.

<sup>93</sup> "Treasury Targets Hizballah Financial Network," *Department of the Treasury Documents*, Press Release, December 9, 2010.

<sup>94</sup> House Committee on Foreign Affairs, *Emerging Threats and Security in the Western Hemisphere: Next Steps for U.S. Policy*, op. cit., written testimony of Philip S. Goldberg, Assistant Secretary, Bureau of Intelligence and Research, Department of State, available at <http://foreignaffairs.house.gov/112/gol101311.pdf>.

<sup>95</sup> "Treasury Targets Hizballah in Venezuela," *States News Service*, June 18, 2008.

<sup>96</sup> U.S. Department of the Treasury, "Treasury Identifies Lebanese Canadian Bank Sal as a Primary Money Laundering Concern," Press Release, February 10, 2011.

<sup>97</sup> 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.



2011 alleged that Joumaa's drug trafficking organization operates in Lebanon, West Africa, Panama, and Colombia, and 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.<sup>98</sup>

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 Mohamad Saleh, was also designated as a Specially Designated Global Terrorist pursuant to Executive Order 13224 for directing and coordinating Hezbollah activity in Colombia.<sup>99</sup>

## **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, anti-terrorism 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.<sup>100</sup>

Although terrorism was not the main focus of U.S. policy toward the region in recent years, attention increased in the aftermath of the 9/11 terrorist attacks on New York and Washington. Anti-terrorism assistance has 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.

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<sup>98</sup> 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>.

<sup>99</sup> 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>.

<sup>100</sup> For background on interaction between criminal organizations and terrorist groups, see CRS Report R41004, *Terrorism and Transnational Crime: Foreign Policy Issues for Congress*, by John W. Rollins and Liana Sun Wyler.

## **U.S. Sanctions**

The United States has imposed sanctions on three groups in Colombia (ELN, FARC, and AUC) 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. As noted above, the United States has included Cuba on its list of state sponsors of terrorism since 1982, pursuant to Section 6(j) of the EAA, and both Cuba and Venezuela are currently on the annual Section 40A AECA list of countries that are not cooperating fully with U.S. antiterrorism efforts, lists that trigger a number of sanctions.

As described above, 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 is also pursuing cases against entities and individuals involving a drug money laundering network in the region with ties to Hezbollah.

## **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 and an Export Control and Related Border Security (EXBS) 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 \$12.75 million in FY2011, and an estimated \$12.28 million in FY2012. For FY2013, the Administration requested \$7.685 million for Western Hemisphere countries, with \$2.75 million for Mexico, \$1 million for Colombia, and \$3.935 million 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 \$7.95 million in FY2011 and an estimated \$3.25 million in FY2012. The FY2013 request was for \$2.895 million, with assistance slated for Argentina, Brazil, Chile, Mexico, Panama, and a regional program.

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 which involves deploying radiation detection equipment in order to deter, detect, and interdict illicit trafficking in nuclear and radioactive materials. To date, the Megaports Initiative is operational in ports in the 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 that facilitate exchanges of information in order to combat trade-based money laundering. TTUs have been established in Argentina, Brazil, Colombia, Paraguay, Mexico, and Panama.

The United States also has worked closely with the governments of the tri-border area—Argentina, Brazil, and Paraguay—through the “3+1 regional cooperation mechanism,” established in 2002 to serve as a forum for counterterrorism cooperation and prevention among all four countries.

## **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 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.<sup>101</sup> 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 cyber security, major events security, and tourism security), counter-terrorism legislative assistance and combating terrorism financing, and strengthening strategies on emerging terrorist threats. At

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<sup>101</sup> See the website of the CICTE available at <http://www.cicte.oas.org/Rev/en/>.

CICTE's 11<sup>th</sup> regular session held in March 2011, member states issued a declaration of renewed hemispheric commitment to enhance cooperation to prevent, combat, and eliminate terrorism.<sup>102</sup> At CICTE's 12<sup>th</sup> regular session held in March 2012, member states focused on efforts to strengthen cyber security in the Americas.<sup>103</sup> In March 2013, CICTE held its 13<sup>th</sup> regular session, which focused on hemispheric cooperation in combating terrorism and its financing; member states adopted a resolution on strengthening cooperation to address terrorist financing and money laundering.<sup>104</sup>

OAS members signed the Inter-American Convention Against Terrorism in June 2002. The Convention, among other measures, improves regional cooperation against terrorism, commits parties to sign and ratify U.N. anti-terrorism 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 109<sup>th</sup> 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**

### **111<sup>th</sup> Congress**

In the 111<sup>th</sup> Congress, President Obama signed into law the Comprehensive Iran Sanctions, Accountability, and Disinvestment Act of 2010 (P.L. 111-195) on July 1, 2010, which included a provision making gasoline sales to Iran subject to U.S. sanctions. (Subsequently, the State Department imposed sanctions on Venezuela's state oil company, PdVSA, in May 2011 for providing cargoes of reformat, an additive used in gasoline, to Iran between December 2010 and March 2011 valued at around \$50 million. See "Venezuela Sanctions" above.)

Several other measures with Venezuela provisions were considered or introduced in the 111<sup>th</sup> Congress, but action was not completed on these initiatives. In June 2010, the Senate Committee on Armed Services reported S. 3454, the National Defense Authorization Act for FY2011, with a provision that would have required a report on Venezuela related to terrorism issues. In June 2009, the House approved H.R. 2410, the Foreign Relations Authorization Act for FY2010 and FY2011, with a provision in Section 1011 that would have required a report within 90 days on Iran's and Hezbollah's actions in the Western Hemisphere. On July 23, 2009, the Senate had approved its version of the National Defense Authorization Act for FY2010, S. 1390 (Levin), with a provision that would have required the Director of National Intelligence to provide a report on Venezuela's military purchases, its potential support for the FARC and Hezbollah, and other Venezuelan activities, but the final enacted measure dropped the provision.

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<sup>102</sup> See the documents of the eleventh regular session of the CICTE, including the declaration, available at <http://www.cicte.oas.org/Rev/EN/Meetings/Sessions/11/Default.asp>.

<sup>103</sup> CICTE, "Declaration Strengthening Cyber-Security in the Americas," March 7, 2012, available at <http://www.cicte.oas.org/Rev/En/Documents/Declarations/DEC%201%20rev%201%20DECLARATION%20CICTE00749E04.pdf>.

<sup>104</sup> CICTE, "Thirteenth Regular Session of CICTE," available at [http://www.oas.org/en/sms/cicte/session\\_2013.asp](http://www.oas.org/en/sms/cicte/session_2013.asp).

Other resolutions and bills related to Venezuela that were introduced in the 111<sup>th</sup> Congress included H.R. 375 (Ros-Lehtinen), introduced January 9, 2009, that would have, among its provisions, placed restrictions on nuclear cooperation with countries assisting the nuclear programs of Venezuela. H.R. 2475 (Ros-Lehtinen), introduced May 19, 2009, included a provision identical to that in H.R. 375 described above that would have placed restrictions on nuclear cooperation with countries assisting the nuclear programs of Venezuela. H.Res. 872 (Mack), introduced October 27, 2009, would have called on Venezuela to be designated a state sponsor of terrorism because of its alleged support of Iran, Hezbollah, and the FARC.

Over the years, the U.S. Congress 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 111<sup>th</sup> 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.

On October 27, 2009, the House Committee on Foreign Affairs, Subcommittees on the Western Hemisphere, the Middle East and South Asia, and Terrorism, Nonproliferation and Trade held a joint hearing on "Iran in the Western Hemisphere" featuring private witnesses.<sup>105</sup>

## **112<sup>th</sup> Congress**

The 112<sup>th</sup> Congress enacted one measure into law late in the second session, the Countering Iran in the Western Hemisphere Act of 2012 (H.R. 3783, P.L. 112-220), which requires the Administration to conduct an assessment and present "a strategy to address Iran's growing hostile presence and activity in the Western Hemisphere." Several other initiatives were introduced in the related to Mexico and Venezuela as well the activities of Iran and Hezbollah in the Western Hemisphere, but were not considered. Several oversight hearings were also held on these topics.

### *Mexico*

Among legislative initiatives introduced, two bills, H.R. 1270 (McCaul) and H.R. 4303 (McCaul), would have directed the Secretary of State to designate as foreign terrorist organizations several Mexican drug cartels; and H.R. 3401 (Mack), the Enhanced Border Security Act, ordered reported by the House Subcommittee on the Western Hemisphere, Committee on Foreign Affairs, on December 15, 2011, would have required the Secretary of State within 90 days to submit a detailed counterinsurgency strategy "to combat the terrorist insurgency in Mexico waged by transnational criminal organizations."

Several hearings in the 112<sup>th</sup> Congress focused on the drug trafficking situation in Mexico and allegations that the drug trafficking organizations constituted a criminal insurgency or had links to terrorism. The House Committee on Foreign Affairs, Subcommittee on the Western Hemisphere, held a September 13, 2011, hearing entitled "Has Mérida Evolved? Part One: The Evolution of Drug Cartels and the Threat to Mexico's Governance" featuring private witnesses.<sup>106</sup> The Western Hemisphere Subcommittee followed up on October 4, 2011, with a joint hearing with the House

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<sup>105</sup> A transcript and webcast of the hearing is available at [http://foreignaffairs.house.gov/hearing\\_notice.asp?id=1127](http://foreignaffairs.house.gov/hearing_notice.asp?id=1127).

<sup>106</sup> A transcript and webcast of the hearing is available at [http://foreignaffairs.house.gov/hearing\\_notice.asp?id=1348](http://foreignaffairs.house.gov/hearing_notice.asp?id=1348).

Committee on Homeland Security, Subcommittee on Oversight, Investigations, and Management, entitled “Mérida Part Two: Insurgency and Terrorism in Mexico,” with testimony from the State Department, the Drug Enforcement Administration, and the Department of Homeland Security.<sup>107</sup>

Looking more broadly at drug trafficking, the House Committee on Foreign Affairs, Subcommittee on Oversight and Investigations, held an October 12, 2011, hearing entitled “The International Exploitation of Drug Wars and What We Can Do About It” featuring private witnesses.<sup>108</sup> The House Committee on Foreign Affairs, Subcommittee on Terrorism, Nonproliferation and Trade also held two hearings on “Narcoterrorism and the Long Reach of U.S. Law Enforcement,” on October 12 and November 17, 2011, that examined the links between drug trafficking and terrorism worldwide and featured private witnesses and an official from the Drug Enforcement Administration.<sup>109</sup>

### *Venezuela*

H.Res. 247 (Mack) would have condemned Venezuela “for its state-sponsored support of international terrorist groups” and called “on the Secretary of State to designate Venezuela as a state sponsor of terrorism” for “its support of Iran, Hezbollah, and the Revolutionary Armed Forces of Colombia (FARC).”

On June 24, 2011, a joint hearing on “Venezuela’s Sanctionable Activities” by subcommittees of the House Committee on Foreign Affairs and the House Committee on Oversight and Government Reform featured testimony by State Department and Treasury Department officials. State Department officials expressed concern about “Venezuela’s relations with Iran, its support for the FARC, [and] its lackluster cooperation on counterterrorism.”<sup>110</sup> Administration officials testified that Hezbollah’s activity in Venezuela was confined to fundraising.

### *Iran and Hezbollah in the Western Hemisphere*

As noted above, Congress completed action on H.R. 3783 (Duncan), the Countering Iran in the Western Hemisphere Act of 2012, in December 2012 and the measure was signed into law on December 28, 2012 (P.L. 112-220). As enacted, the measure requires the Secretary 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 a strategy to address these threats. The required strategy may be submitted in classified form, but shall include an unclassified summary of policy recommendations to address the growing Iranian threat in the Western Hemisphere. The bill also states that “it shall be the policy of the United States to use a

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<sup>107</sup> Testimony and a webcast of the joint hearing is available at <http://homeland.house.gov/hearing/joint-subcommittee-hearing-m%C3%A9rida-part-two-insurgency-and-terrorism-mexico>.

<sup>108</sup> A transcript and webcast of the hearing is available at [http://foreignaffairs.house.gov/hearing\\_notice.asp?id=1365](http://foreignaffairs.house.gov/hearing_notice.asp?id=1365).

<sup>109</sup> A transcript and webcast of the October 12, 2011, hearing is available at [http://foreignaffairs.house.gov/hearing\\_notice.asp?id=1362](http://foreignaffairs.house.gov/hearing_notice.asp?id=1362); a webcast of the November 17, 2011, hearing is available at [http://foreignaffairs.house.gov/hearing\\_notice.asp?id=1379](http://foreignaffairs.house.gov/hearing_notice.asp?id=1379).

<sup>110</sup> Joint Hearing on “Venezuela’s Sanctionable Activities,” House Committee on Foreign Affairs, Subcommittee on the Western Hemisphere and Subcommittee on the Middle East and South Asia, and House Committee on Oversight and Government Reform, Subcommittee on National Security, Homeland Defense and Foreign Operations. June 24, 2011. Testimony and webcast of the joint hearing is available at [http://oversight.house.gov/index.php?option=com\\_content&view=article&id=1349%3A6-24-11-qvenezuelas-sanctionable-activityq&catid=17&Itemid=25](http://oversight.house.gov/index.php?option=com_content&view=article&id=1349%3A6-24-11-qvenezuelas-sanctionable-activityq&catid=17&Itemid=25).

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."

Several other legislative initiatives were introduced, but not considered, in the 112<sup>th</sup> Congress. H.Res. 429 (Duncan), introduced in the first session, would have called for the Administration to include the Western Hemisphere in its 2012 National Strategy for Counterterrorism's Area of Focus, with specific attention on the "counterterrorism threat to the homeland emanating from Iran's growing presence and activity in the Western Hemisphere." A much broader bill, H.R. 6067 (Ros-Lehtinen), the Western Hemisphere Security Cooperation Act of 2012, introduced in the second session, included a number of provisions designed to counter Iranian and Hezbollah activities in the Western Hemisphere and several other broader provisions promoting Western Hemisphere cooperation on terrorism.

Several hearings were held in the 112<sup>th</sup> Congress dealing with concerns about Iran and Hezbollah in Latin America. In the first session, the House Committee on Homeland Security, Subcommittee on Counterterrorism and Intelligence held a July 7, 2011, hearing on "Hezbollah in Latin America—Implications for U.S. Policy," featuring private witnesses.<sup>111</sup> The joint June 24, 2011, hearing by the House Committees on Foreign Affairs and on Oversight and Government Reform on "Venezuela's Sanctionable Activities" cited above also touched on concerns about Iran and Hezbollah in the Western Hemisphere. The House Foreign Affairs Committee held a broader hearing on October 13, 2011, entitled "Emerging Threats and Security in the Western Hemisphere: Next Steps for U.S. Policy," with witnesses from the Departments of State, Treasury, and Defense that touched on concerns about Iran and Hezbollah in the Western Hemisphere.<sup>112</sup>

In the second session, hearings were held in both houses. The House Foreign Affairs Committee held a February 2, 2012, hearing focused on Iranian President Ahmadinejad's January 2012 trip to Latin America.<sup>113</sup> The Senate Foreign Relations Committee's Subcommittee on Western Hemisphere, Peace Corps, and Global Narcotics Affairs held a February 16, 2012, hearing on Iran's influence and activity in Latin America.<sup>114</sup> The House Committee on Homeland Security, Subcommittee on Oversight, Investigations, and Management held a hearing on November 16, 2012, assessing threats to U.S. borders. The subcommittee updated a majority staff report that it had issued in 2006 examining violence at the Southwest border, which included a section looking at the activities of Iran and Hezbollah in Latin America. Private witnesses at the hearing alleged extensive activities of both Iran and Hezbollah in the region.<sup>115</sup>

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<sup>111</sup> U.S. Congress, House Committee on Homeland Security, Subcommittee on Counterterrorism and Intelligence, "Hezbollah in Latin America—Implications for U.S. Homeland Security," July 7, 2011. Testimony and webcast available at <http://homeland.house.gov/hearing/subcommittee-hearing-hezbollah-latin-america-implications-us-homeland-security>.

<sup>112</sup> A transcript and webcast of the hearing is available at [http://foreignaffairs.house.gov/hearing\\_notice.asp?id=1361](http://foreignaffairs.house.gov/hearing_notice.asp?id=1361).

<sup>113</sup> A webcast of the hearing is available at [http://foreignaffairs.house.gov/hearing\\_notice.asp?id=1396](http://foreignaffairs.house.gov/hearing_notice.asp?id=1396).

<sup>114</sup> Testimony and a webcast of the hearing is available at <http://www.foreign.senate.gov/hearings/irans-influence-and-activity-in-latin-america>.

<sup>115</sup> U.S. Congress, House Committee on Homeland Security, Subcommittee on Oversight, Investigations, and Management, Hearing, "A Line in the Sand: Assessing Dangerous Threats to Our Nation's Borders," November 16, 2012, available at <http://homeland.house.gov/hearing/subcommittee-hearing-line-sand-assessing-dangerous-threats-our-nation%E2%80%99s-borders>.

## 113<sup>th</sup> Congress

To date in the 113<sup>th</sup> Congress, several hearings have been held that focus or touch upon the role of Iran and Hezbollah in Latin America and two legislative initiatives on Cuba have been introduced related to U.S. fugitives from justice and the state sponsor of terrorism list.

The House Committee on Foreign Affairs, Subcommittee on Terrorism, Nonproliferation and Trade held a March 20, 2013, hearing on Hezbollah as a global terrorist threat with private witnesses. The hearing included testimony by former State Department Assistant Secretary for Western Hemisphere Affairs Roger Noriega alleging extensive Hezbollah activities in at least a dozen countries in Latin America, especially Venezuela, and involvement in criminal and terrorist activity in the region.<sup>116</sup>

On March 12, 2013, the Senate Select Committee on Intelligence held an open hearing on security threats to the United States. Director of National Intelligence James Clapper testified that Iran has cultivated ties with the leaders of Bolivia, Cuba, Ecuador, Nicaragua, and Venezuela, and that Iran's relations with the governments of these countries offers a way for them "to stake out independent positions on the international issue of Iran, while extracting financial aid and investment for economic and social projects."<sup>117</sup>

On March 19 and 20, 2013, the Senate and House Armed Services Committees, respectively, held oversight hearings on SOUTHCOM, in which Commander General John F. Kelly presented the command's 2013 posture statement. With regard to Iran's activities in the Western Hemisphere, General Kelly stated: "The reality of the ground is 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." General Kelly further stated that "the Iranian regime has increased its diplomatic and economic outreach across the region with nations like Venezuela, Bolivia, Ecuador, and Argentina," but that the "outreach has only been marginally successful ... and the region as a whole has not been receptive to Iranian efforts." With regard to Hezbollah, General Kelly reported in the posture statement that members and supporters of Hezbollah have an established presence in several countries in the region, and that the Lebanese Shi'a diaspora in the region may generate as much as tens of millions of dollars for Hezbollah through licit and illicit means. More broadly, General Kelly raised the question of the possible nexus between international terrorist organizations and criminal networks. He noted the 2011 Iranian plot to assassinate the Saudi Ambassador to the United States as a demonstration of Iran's willingness to leverage criminal groups to carry out its objectives in the U.S. homeland.<sup>118</sup>

On July 9, 2013, the House Homeland Security Committee, Subcommittee on Oversight and Management Efficiency, held a hearing on Iran's influence in the Western Hemisphere. The

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<sup>116</sup> U.S. Congress, House Committee on Foreign Affairs, Subcommittee on Terrorism, Nonproliferation and Trade, Hearing on "Hezbollah's Strategic Shift: A Global Terrorist Threat," March 20, 2013, available at <http://foreignaffairs.house.gov/hearing/subcommittee-hearing-hezbollah%E2%80%99s-strategic-shift-global-terrorist-threat>.

<sup>117</sup> 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, available at <http://intelligence.senate.gov/130312/clapper.pdf>.

<sup>118</sup> General John F. Kelly, Commander, United States Southern Command, Posture Statement, Senate Armed Services Committee, March 19, 2013, available at <http://www.armed-services.senate.gov/statemnt/2013/03%20March/Kelly%2003-19-13.pdf>.



hearing included several private witnesses contending that Iran's influence in the region has grown, contrary to a finding in the State Department's June 27, 2013, report to Congress that Iran's influence in the region is waning. Another witness maintained that Iran's efforts in the region to date have met with mixed results, but also contended that the ebb of Iran's economic activity in the region resulting from increased international sanctions could make Iran more desperate to find willing trading partners in the region.<sup>119</sup>

With regard to Cuba, H.R. 1917 (Rush), introduced May 9, 2013, would among its provisions rescind any determination of the Secretary of State in effect on the date of enactment of the Act that Cuba has repeatedly provided support for acts of international terrorism. H.Res. 262 (King), introduced June 14, 2013, would call for the immediate extradition or rendering to the United States of convicted felon William Morales and 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.

## Conclusion

For most countries in Latin America and the Caribbean, threats emanating from terrorism are low. The majority of terrorist acts in the region is perpetrated by the Revolutionary Armed Forces of Colombia. According to the Department of State, most governments in the region have good records of cooperation with the United States on anti-terrorism issues, although progress in the region on improving counterterrorism capabilities is limited by several factors, including corruption, weak governmental institutions, weak or non-existent legislation, and reluctance to allocate sufficient resources. Both Cuba and Venezuela are on the State Department's list of countries determined to be not cooperating fully with U.S. antiterrorism efforts, and Cuba has remained on the State Department's list of state sponsors of terrorism since 1982. U.S. officials and some Members of Congress have expressed concern over the past several years about Venezuela's relations with Iran, with concerns centered on efforts by Iran to circumvent U.N. and U.S. sanctions and on Iran's ties to Hezbollah, alleged to be linked to two bombings in Argentina in the 1990s. 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. Critics maintain that the State Department is playing down the threat posed by Iranian activities in the region, while others who agree with the assessment of the State Department maintain that Iranian activities in the region, while a concern, are being exaggerated. The State Department maintains that there are no known operational cells of either Al Qaeda or Hezbollah-related groups in the hemisphere, although it notes that ideological sympathizers continue to provide financial and ideological support to these and other terrorist groups in the Middle East and South Asia.

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<sup>119</sup> U.S. Congress, House Committee on Homeland Security, Subcommittee on Oversight and Management Efficiency, *Threat to the Homeland: Iran's Extending Influence in the Western Hemisphere*, Hearing, July 9, 2013, available at <http://homeland.house.gov/hearing/subcommittee-hearing-threat-homeland-iran%E2%80%99s-extending-influence-western-hemisphere>

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