

GREENWOOD HIGH
JUNIOR MODEL UNITED NATIONS

BACKGROUND GUIDE



DISEC

AGENDA

ADDRESSING GLOBAL TERRORISM
WITH SPECIAL EMPHASIS ON THE
MIDDLE EAST AND NORTH AFRICA

Letter from the Executive Board

Greetings Delegates!

It is with great pleasure that we welcome you to the 2026 edition of Greenwood High's Junior Model United Nations!

The Executive Board of the DISEC hopes that you are well prepared to step into the world of Model UN. This committee's agenda is a vast topic, so we expect delegates to come with thorough research on foreign policy, humanitarian law, and to come with a mentality that encourages healthy debate. It is upon your shoulders to formulate solutions to the dire issue at hand - addressing terrorism in the Middle East and North Africa. An issue that has caused so much devastation that our leaders today have yet to resolve effectively.

This background guide is a concise compilation of what you should base your research on. Please note that this is merely a background guide, it is not meant to limit your research in any way. We encourage you to not only read the issues presented here and dig deeper, but to expand your understanding of the agenda by researching other subtopics that are not mentioned here as well. The 3 key factors a delegate should be well researched on is A) the agenda, its history, and the distinct problems that arise; B) current international laws and conventions, steps that governments and organizations have already taken to counter these problems; C) new solutions to resolve these issues - these can be in the form of proposals to amend current legal frameworks, create new international bodies, etc.

Your speeches, lobbying, and points are the crux of how you will move forward in committee. The way you present yourself as a confident leader is important in Model UN. However, we do not have any tolerance towards the so-called "power delegate" - one that creates unhealthy competition - since the core of a MUN is to foster diplomacy and collaborate with one another. A good leader is one that listens and acts.

We look forward to seeing each and every one of you put your best foot forward at GWHJMUN 2026!

Warm regards,
Anita Bhat, Head Chair
Vanya Goenka, Vice Chair
Siddhant S, Moderator

Introduction to Committee

The Disarmament and International Security Committee (DISEC), also known as the First Committee of the United Nations General Assembly (UNGA), was established in 1945, alongside the UN itself as the aftermath of the Second World War, a period marked by unprecedented destruction caused by advanced weaponry and large-scale militarization. The use of nuclear weapons and the rapid development of military technology highlighted the urgent need for international cooperation to prevent future conflicts. As part of the UNGA, DISEC was created to provide a global forum for discussing disarmament, arms control, and international security issues. Its formation reflected the international community's commitment to maintaining peace, reducing the threat of war, and addressing emerging security challenges through dialogue rather than force.

However, there are things which DISEC cannot do, including:

- Pass binding resolutions (its resolutions are *recommendatory*)
- Authorize military action or sanctions
- Deploy peacekeeping forces
- Compel states to disarm or change policies
- Intervene directly in ongoing conflicts

As DISEC is mandated to examine issues related to international peace and security through dialogue and policy recommendations rather than enforcement. In the context of restricting the movement of Foreign Terrorist Fighters (FTFs) across conflict zones, particularly in the Middle East and North Africa (MENA) region, this mandate is especially relevant, as the transnational nature of terrorism requires coordinated international responses. While DISEC cannot authorize military action or impose binding measures, it provides a vital platform for Member States to develop cooperative frameworks, enhance information-sharing, strengthen border management practices, and support capacity-building initiatives. Through such non-binding yet influential recommendations, DISEC contributes to reducing security threats posed by FTFs and strengthening regional and global stability.

Introduction to Agenda

Sources of Illicit Funding of Terrorist Groups

1. Illicit Trade & Smuggling

Terrorist and criminal networks exploit illegal cross-border trade routes and commodity smuggling (fuel, goods) to generate major revenue and move funds covertly. Smuggling often thrives in conflict and weak-governance zones. Historical examples include ISIS using drug routes, or insurgents taxing fuel smugglers.

2. Diaspora Donations & Informal Transfers (e.g., Hawala)

Informal money transfer systems like Hawala are used to funnel funds from sympathizers and diaspora communities back into conflict zones, often avoiding formal banking oversight. (Also highlighted in reporting on regional fund flows.)

Trade-based laundering is another facet: terrorists might over- or under-invoice cross-border trade (gemstones, agricultural goods, etc.) to mask fund transfers. These informal networks link MENA to Europe, Africa and Asia, making international cooperation crucial.

Each funding source provides clues on how to disrupt it. Delegates should recognize that sources and channels, not just end-use of funds, are critical points of intervention. Strategies must target the core revenue streams (e.g. shutting down smuggling, regulating charities) and the movement of money (e.g. monitoring hawala, enforcing bank reporting), as these are the pressure points where law enforcement can intervene most effectively.

3. Exploiting Charities & Front Organisations

Some entities misuse charitable organisations as cover for collecting “donations” that are diverted into extremist funding rather than legitimate humanitarian aid.

Terrorists often hide behind bona fide nonprofit organizations (NPOs). They may found phony charities or infiltrate existing NGOs. Donations intended for relief can be diverted to terrorism. A FATF report finds that “the most commonly observed method of abuse of NPOs” is simply diverting the funds. Legitimate humanitarian projects (food aid, medical clinics, schools) can become fronts: cash flows earmarked for relief are secretly siphoned off to buy weapons or bankroll fighters. Because citizens and donors trust NPOs, these organizations face the challenge of balancing security with humanitarian access.

4. Use of Cash Couriers & Weak Financial Oversight

Large cross-border cash shipments, use of unregulated exchange systems, and exploitation of jurisdictions with weak AML/CFT oversight help illicit networks move money without detection.

5. Kidnapping for Ransom as Terrorist Funding

A UK government document estimates that Al-Qaeda-affiliated groups worldwide have collected tens of millions of dollars in ransom payments, and stresses that ransom payments help “*support recruitment, strengthen operational capabilities, and incentivise future incidents.*” Another example could be the Arab Spring Kidnappings. These illicit flows often operate outside formal banking, making detection difficult.

6. Trade-Based Money Laundering.(TBML)

Complex abuse of trade invoices and customs systems allows criminals and terrorist financiers to disguise the origins of illicit funds and move value through trade flows involving over- or under-invoicing.

7. Extortion, “Taxation” & Illegal Levies

Extremist and militia groups impose “taxes” or extract payments from local populations, businesses, and trafficking operations under their control (a form of forced extortion). For example, Da’esh treated residents like subjects: taxing crops and services, and controlling oil sales at capture. Similarly, US authorities found Yemen’s Houthi militia rakes in “*hundreds of millions*” of dollars by taxing petroleum imports at Houthi-controlled ports.

8. Social Media and Crowdfunding

Dedicated Crowdfunding Sites: Terror groups (or their sympathisers) set up or use specialized crowdfunding platforms where oversight is weak. The sheer volume of legitimate campaigns makes automated screening hard. Illicit projects can hide among countless fundraising appeals.

Social Media and Messaging: Terrorists share donation links via Twitter, encrypted chat groups or private networks. They exploit features like encrypted messaging, anonymity, or algorithmic curation (which channels content to like-minded users) to reach sympathetic donors. A campaign might be endorsed by online influencers or encrypted channels until it gains enough traction.

Integration with Virtual Currencies: As crowdfunding platforms add payment options, some can pay in Bitcoin or other digital assets. Terrorists increasingly ask for cryptocurrency donations or convert collected funds into crypto. Privacy coins (like Monero) and mixers/tumblers further obscure the money trail. The result is a hybrid scheme: a crowdfunding appeal on social media, fueled by anonymous crypto donations.

The Middle East and North African (MENA) Context

The Middle East and North Africa is a particularly challenging environment for terrorist financing.

Conflict Zones and Non-States

Protracted conflicts in Syria, Iraq, Libya, Yemen, and parts of the Sahel have created power vacuums. Armed groups occupy territory and impose order (and taxes) in their own way. For instance, at its peak ISIL controlled oil fields and collection points in Syria and Iraq. The European Parliament notes ISIS “*created several ministers*” (including finance) to administer these revenues. U.S. intelligence estimates that by 2020 ISIS still held \$25–50 million in cash from past oil sales and extortion. These funds enabled a continued insurgency: small attacks and propaganda, even after the so-called caliphate fell. In Yemen, the Iranian-backed Houthis run a quasi-state: they control ports and fuel supplies, and impose taxes on imports. They work with entrepreneurs to launder this money through regional trade, as the U.S. Treasury reports. Elsewhere, Boko Haram (Nigeria) and ISIS-West Africa levy “protection” payments on agriculture and oil facilities. In short, areas of weak governance allow militants to become self-funding.

Foreign Fighters and Remnants

Many MENA countries saw thousands of fighters travel to Syria/Iraq. Even after ISIS’s territorial defeat, these foreign terrorist fighters (FTFs) may return home with networks intact. They might draw on savings earned abroad, or smuggle funds back in cash. Reports indicate returning fighters in Libya or Tunisia rely on diaspora smuggling routes and veterans’ connections to finance new plots. This creates a hidden, renewable source of funding that blends with criminal profits. FATF highlights that the current threat has evolved “*from large terrorist organizations, to returning terrorist fighters and right-wing extremists*”, meaning MENA states must consider returning FTFs’ finances in their risk assessments.

ISIS and Al-Qaeda Affiliates

Groups like Islamic State’s regional branches and Al-Qaeda in the Islamic Maghreb (AQIM) remain active. A 2017 report shows ISIS revenue streams: bank lootings, control of oil fields, illicit taxation, kidnapping and even donations through NPOs. Similarly, AQIM and allied Sahel jihadists have funded themselves via kidnap-for-ransom of Western nationals, gold and arms smuggling, and drug routes. The instability in Libya and the porous borders in the Sahara make trafficking lucrative. North African terror cells often collaborate on trade networks that can carry illicit profits across countries.

State Sponsorship and Overseas Support

Some MENA terrorist groups receive backing from foreign governments or patrons. For example, Lebanon's Hezbollah is funded by Iran and by fundraising networks among Shia communities (via charities and business ventures). Palestinian groups (like Hamas or Palestinian Islamic Jihad) get funds from wealthy states or private donors in the Gulf and Turkey. Even if not the primary focus of FATF (which targets non-state financing), these links show how state-level payments can enter the terrorist ecosystem. Delegates should be aware: *targeted financial sanctions* (UN listings, FATF blacklists) often aim at such state-connected channels.

Regional Compliance Gaps

FATF and its regional bodies note that many MENA countries have deficiencies in AML/CFT compliance. As of 2023, sixteen MENA-region countries were on FATF's "grey list" of jurisdictions with strategic shortcomings. This means implementation of TF controls – like monitoring suspicious transactions, enforcing sanctions lists, and supervising hawala dealers – is inconsistent. Gaps in regulation allow money to flow unimpeded. Combined with conflict, this high-risk environment makes MENA a hotspot for terrorist financing. In sum, terrorists in the MENA region exploit local resources, cross-border networks and political instability to raise funds. Delegates studying this region should emphasize solutions that account for these realities: for example, enhancing law enforcement in transit hubs, stopping trade of conflict minerals, and building regulatory capacity in struggling states.

International Frameworks and Enforcement

Illicit financial networks facilitate the flow of funds for activities such as drug trafficking, arms smuggling, terrorism, and other transnational crimes, and as such, they cause harm to global peace, security, and economic stability. As a response, the international community has set up several entities and legal frameworks whose mission is to fight money laundering and the financing of terrorism. Together, these are known as Anti-Money Laundering (AML) and Countering the Financing of Terrorism (CFT) initiatives. Here is a glance at the main international bodies and conventions that help and supervise AML/CFT efforts worldwide:

Financial Action Task Force (FATF)

The Financial Action Task Force (FATF) is an intergovernmental body created in 1989, mainly to develop and promote policies that would safeguard the global financial system from money laundering and terrorist financing.

FATF's 40 Recommendations are the worldwide benchmark for AML/CFT measures that the authorities are obliged to implement for the detection, prevention, and investigation of illicit financial activities.

To verify if its members are following the rules, i.e., regularly, independently, and objectively, it conducts mutual evaluations. The assessments are then returned to the evaluated countries, which, therefore, are encouraged to strengthen their AML/CFT frameworks.

The organization also issues the lists of those jurisdictions that are very risky and have some strategically minor areas of concern, thus urging them to get in line with the FATF standards through close monitoring and even penalties.

The FATF's role is pivotal in enabling coordination across the international police, banks, and regulatory bodies that are indispensable to the successful tackling of illegal money flows.

- *Regional FATF-Style Bodies*

In MENA, the Middle East and North Africa Financial Action Task Force (MENAFATF) coordinates regional AML/CFT efforts. MENAFATF members work together to raise compliance and develop “*solutions*” for region-specific issues. In Europe, MONEYVAL similarly evaluates national TF regimes and conducts studies (including on ransom payments). Such bodies regularly publish mutual evaluation reports; delegates may reference any recent FATF/MENAFATF assessment of a MENA country's TF risk as case studies.

- *Financial Intelligence Units (FIUs)*

Every country's FIU collects and analyzes reports of suspicious transactions. In practice, many TF cases originate from FIU alerts. For example, a bank transaction flagged for unusual patterns could reveal a fund transfer to a suspected militant. Delegates could stress the importance of strengthening FIUs and encouraging cross-border information exchange (the Egmont Group of FIUs facilitates this).

- *Law Enforcement and Sanctions*

National police, customs and intelligence agencies work jointly to trace and seize terrorist assets. The U.S. has sanctions like the Patriot Act (Section 311 etc.) and the Office of Foreign Assets Control (OFAC) designates facilitators (as in the Houthi case). Regional efforts include the Task Force on Terrorist Financing of the Gulf Cooperation Council, which shares intel on Gulf-based financiers. While delegates are not enforcers, they can propose encouraging member states to enhance such cooperation, expedite mutual legal assistance requests, and support joint patrols on critical routes.

- *Private Sector Measures*

FATF and experts stress *public-private partnerships*. Banks, money transmitters, and online platforms should implement AML/CFT controls proportionate to risk. For instance, crowdfunding websites could adopt self-regulatory safeguards: verifying campaign organizers, monitoring high-risk keywords, and cutting off suspect campaigns quickly. (FATF notes that tailored self-regulatory practices by crowdfunding platforms can mitigate abuse.) Social media companies should be encouraged to detect and remove fundraising appeals linked to terrorism. Delegates may consider resolutions urging technology firms and financial institutions to collaborate with governments on TF identification.

International Legal Frameworks and Conventions

Several United Nations conventions and treaties establish the law that governs international cooperation in implementing AML/CFT:

United Nations Convention against Transnational Organized Crime (UNTOC), 2000: Also known as the Palermo Convention, its overarching aim is the enhancement of cooperation among the states to fight transnational organized crime, to include money laundering resulting from criminal enterprises.

United Nations Convention against Corruption (UNCAC), 2003: A singular anti-corruption pact, which addresses all facets of the issue, among them the prevention, the criminalization, and the international cooperation, to mention only a few of the measures against corruption-related money laundering.

International Convention for the Suppression of the Financing of Terrorism, 1999: According to this agreement, the member states commit themselves to the criminalization of the financing of terrorism as one of the terms under their domestic law. Apart from that, the cooperation in investigation and prosecution to break the terrorist funding network is the other way to go.

Basel Committee on Banking Supervision: Even though not a treaty, the Committee sets the regulatory standards for banking institutions worldwide and thus is one of the main promoters of the effective risk management practice leading to the lowering of money laundering and terrorist financing risk.

Implementation and Challenges

Member States implement AML/CFT measures through laws and regulations that require financial institutions and certain non-financial entities to conduct due diligence, report suspicious transactions, and cooperate with law enforcement authorities.

The establishment of Financial Intelligence Units (FIUs) is, undoubtedly, a very important measure in the fight against illicit money flows, as they are the ones that analyze and disseminate financial intelligence.

While the standards have been accepted by the majority of countries, there are still some, especially in regions like the Middle East and North Africa (MENA), where, due to reasons such as lack of resources, weak governance, or political instability, they are struggling with issues, among which the most common is the presence of illicit networks that exploit systemic vulnerabilities.

The effectiveness of an AML/CFT program hinges on various factors, the most crucial of which is the collaboration between different countries that is made possible through mutual legal assistance, information sharing, and capacity building.

Conclusion

AML/CFT policies are an array of tools that continue to be very effective mainly due to the work of the FATF and international legal instruments in tearing down illicit financial networks that destabilize world peace, security, and development. Therefore, member states' firm determination to uphold and raise these standards is essential to closing the gaps that criminal and terrorist organizations exploit in politically fragile regions to commit their activities. Their being better thus contributes significantly to the promotion of global stability and the rule of law.

Further Reading

During your research, you may find it beneficial to seek answers to the following questions:

1. What steps can member states take to enhance cooperation to ensure that international standards for AML/CFT are uniformly observed?
2. What are the challenges that countries face when it comes to implementing FATF recommendations and international conventions at the local level?
3. How do regional and international organizations, like FATF and the Basel Committee, interact with national governments in terms of preventing illicit financial flows?
4. In which manner could Member States foresee the coming of financial technologies (e.g., cryptocurrencies) to protect against money laundering and the financing of terrorism?
5. How can the international legal framework be altered to completely close the loopholes that facilitate the operations of transnational criminal networks?



Case Studies

We encourage delegates to engage closely with each case study, as they have been intentionally structured to highlight 2-3 core issues that are distinct in each instance. While there is often overlap in the funding strategies employed by different terrorist organizations, such as shared involvement in drug trafficking or smuggling, these studies isolate particular aspects in order to provide varied and focused insights into the mechanics of terrorism financing. This approach is designed to avoid redundancy.

Case Study: Hezbollah and the Middle East

Hezbollah, a 1982-founded Shia resistance force, has emerged as one of the most influential non-state actors in the Middle East, functioning simultaneously as a paramilitary force and a political entity in the Lebanese Republic. This case study traces Hezbollah's transnational criminal and military partnerships from roughly 1985 to 2022, with a focus on the group's evolving financial entanglements with Syria and Iran. It includes issues regarding drug trafficking, money laundering, and counterfeiting, which seems to sustain the organization's expansive operations. While Iran's involvement remains overt, providing direct funds, arms, and other such aid, Syria's support was more deep-rooted. Notably, Hezbollah's collaboration with Syrian officials, originally forged during Syria's intervention in Lebanon in the 1980s, evolved into a global criminal syndicate that financed its prolonged participation in the Syrian civil war and attacks during the Gaza conflict. However, recent political shifts in Damascus suggest a break from this alignment, especially following the fall of the Assad regime in December 2024.

Network 1: Narcotics

Illicit narcotics play a key role in terrorist funding networks. Hezbollah has been an important asset to Syria's Captagon trade. The Al-Assad regime had drawn on the experience Hezbollah has gained during their control of production and smuggling of drugs from the Beqaa Valley. Investigations show that Hezbollah assists with logistical operations in border villages and oversees routes vital for exports across Jordan, Saudi Arabia, and Europe. In 2021 alone, drug shipments linked to the regime were valued at approximately \$5.7 billion, making narcotics Syria's top source of foreign currency amidst a collapsing formal economy. Creative concealment methods, from stuffing pills into tea bags to burying cannabis palms in fresh fruit shipments, underscore the scale and sophistication of the operation. As border controls tighten, Hezbollah's operational role in evading detection is increasingly vital to sustaining this illicit revenue stream. Analysts estimate that narcotics account for roughly 30–40 percent of Hezbollah's \$1 billion-a-year total operating budget.

Hezbollah's global drug trade extends far beyond the Middle East. Since the 1990s, the group transitioned from controlling poppy and cannabis cultivation in Lebanon's Beqaa Valley to operating international cocaine and stimulant trafficking networks. In Latin America, it forged alliances with Colombian and Mexican cartels and entrenched itself in the Tri-Border Area between Argentina, Brazil, and Paraguay, an illicit trade hub generating up to USD 5 billion per year, of which Hezbollah is estimated to collect around USD 20 million annually from the region alone. The notorious Ayman Joumaa network, designated in 2011, is believed to have laundered up to USD 200 million monthly for Latin American traffickers, with Hezbollah taking an 8–14% commission - equating to at least two-thirds of Hezbollah's entire illicit funding in its peak years.

Network 2: Smuggling and Laundering

Outside of the drug trade, Hezbollah's financing operations involved extensive movement of legal and illegal materials in and out of Lebanon, enabled by near-total control over the country's ports. U.S. Operation Smokescreen uncovered a cigarette smuggling ring in North Carolina and a weapons-procurement cell in Canada, both linked to Hezbollah. Canadian wiretaps of procurement officer Mohammed Hassan Dbouk revealed that Hezbollah could *"transport almost anything"* through the Beirut airport. One courier noted that security and luggage-handling staff held *"great respect for the men of the Resistance [redacted] and that they [redacted] have their instructions from 'his Excellency the President [redacted]' to take care of them."*

Hezbollah exploited online banking services and informal currency exchangers to launder drug proceeds, receive donations, and finance militant operations. It produced high-quality counterfeit currency that deceived ATMs, enabling cryptocurrency purchases. Moreover, the group laundered money through exchange houses in the Tri-Border Area, the African blood-diamond trade, and the dark web - understanding these financial systems is essential to effectively disrupt terrorist funding networks. In April 2023, the U.S. designated the Nazem Said Ahmad network, which moved cash, diamonds, art, and luxury goods across borders. Hezbollah also used the hawala-barter system to avoid sanctions, smuggling Iranian oil to Venezuela in exchange for gold, later integrated into its cash flow via Turkey.

Furthermore, its presence in West Africa helps them maintain their robust financial support system. In countries like Guinea, Senegal, and the Ivory Coast, Hezbollah operatives manage car dealerships, real estate ventures, and import-export companies, many of which double as conduits for moving illicit funds. In one of Hezbollah's most notorious money laundering schemes, cocaine profits were used to purchase used cars in the United States, which were shipped to Benin and sold by diaspora-run dealerships, with proceeds couriered back to Lebanon.

Corruption is essential in this ecosystem. To ensure the smooth movement of goods, funds, and people, the group seems to have formed symbiotic partnerships with crime syndicates and infiltrated state institutions such as police, customs, and the judiciary.

Timeline

[1982] Hezbollah founded with Iranian support during the Israeli invasion of Lebanon.

[1990-2010] Hezbollah linked to drug trafficking operations in Latin America and the Middle East, specifically South American cocaine trade and Beqaa cannabis.

[2006] Lebanon war, between Hezbollah and Israel; Iran ramps up aid towards the group.

[2008-2015] Project Cassandra - DEA-led global operation targeting Hezbollah's drug-financing network, notably the Joumaa network laundering approximately \$200M/month.

[2011] Syrian civil war begins; Hezbollah intervenes in support of the Assad regime.

[2024] Fall of Assad regime; Hezbollah's ties to Syria reevaluated. Syrian border controls ramp up, larger efforts by the Syrian government to obscure trafficking networks between Syria, Iran and Lebanon.



Case Study: Al Qaeda in the Islamic Maghreb

Al-Qaeda in the Islamic Maghreb has long been regarded as one of the most enduring and dangerous militant organizations in West Africa. Its operations have been facilitated by the exploitation of pre-existing regional infrastructures and the manipulation of local political dynamics, allowing the group to build an expansive financial network across the countries of Algeria, Mali, Tunisia, Libya, Mauritania, Morocco, Niger, and Nigeria. AQIM's capacity to generate illicit financial flows plays a pivotal role in sustaining its influence and destabilizing the region. A key turning point was the 2012 Malian rebellion, during which AQIM and its affiliated groups secured significant territorial control. This event illustrated the strong connections between illicit funding networks and the operations of terrorist, insurgent, and transnational criminal networks.

Network 1: Kidnap for Ransom

Among the most critical components of AQIM's financial architecture has been the systematic use of kidnap for ransom (KFR). The group exploited the sparsely governed porous borders of the Sahel region to conduct complex abduction operations with relative impunity. Abduction, incarceration, proof of life, negotiation, and, in successful cases, the delivery and release of ransom are all steps in the complicated process of KFR. In order to monitor hostage cycles, the proof of life and negotiating portions frequently entail manipulating public sentiment through media outlets. States often pay these ransoms through proxies, under the guise of "*developmental aid*". Although estimates of the profits made by AQIM and its affiliates through KFR over the years differ, they all agree that these sums are significant. For instance, according to strategic analysts, AQIM alone has accumulated USD 116 million since 2003. The abilities of the hostage-taking organizations to sway public opinion and successfully pressure countries into making concessions also shapes the KFR strategy's power to function as a substantial source of funding for terrorist organizations.

Network 2: Arms Trafficking

For AQIM and its affiliates, the trafficking of arms is a vital trade that directly impacts their regional power and facilitates their pursuit of organizational objectives. According to a research paper regarding the same (Reitano and Shaw, 2015), the data indicates that "*control of and access to arms in the Sahel and the Sahara [is] a critical factor in the ability to control trade routes, establish territorial control, and challenge the state's monopoly over the use of force.*" AQIM might have purchased tens of millions of dollars' worth of weapons with the anticipated revenue from KFR alone. Allegedly, AQIM leaders Belmokhtar and Abu Zeid accumulated substantial amounts of money by kidnapping in order to build up stockpiles in southern Libya. The Tuareg uprisings in northern Mali signal that weapon stock accessibility is closely correlated with the degree of success of each uprising. Above all, this includes small arms and light weapons (SALWs).

In 2011, the group may have been able to purchase or hijack heavy weapons like anti-aircraft and anti-tank missiles from Libya thanks to the Libyan crisis and AQIM's excess finances. North African security officials and state leaders have documented that large caravans transport SALWs, along with larger conventional weapons, MANPADs, and munitions, from Libya through Chad and Niger to northern Mali - this could indicate that AQIM and its affiliates may have been stockpiling weapons in the Sahel.

Key Actors

Common characteristics of organizations like AQIM (such as MNLA, AAD, MUJAO, AND FNLA), include blurring boundaries, combining networks, and forming short-term partnerships out of collective self-interest and as part of an ongoing search for more efficient methods of operation. Criminal organizations, dishonest public servants, and local communities also create strategic alliances. Official traders, extremists, smugglers, kidnappers, civil servants, members of the national army or state-backed militia, and local and regional politicians are just a few of the identities and professions that AQIM has engaged in through "opportunistic hybridism," which allows criminal entrepreneurs, government officials, and political and traditional leaders to effortlessly switch between them.



Legal Documents

Note to Delegates: Research for Model UN must be focused on both humanitarian and legal aspects. We urge delegates to thoroughly read each of the documents mentioned, as a lot of the clauses may be of use when debating solutions and discussing issues related to the agenda.

The international community has come up with a very detailed legal framework to uproot illicit funding networks and fight against money laundering and the financing of terrorism. The *United Nations Convention against Transnational Organized Crime (UNTOC)*, popularly called the *Palermo Convention* and adopted in 2000, is the main instrument of this framework. This agreement provides a structure for the countries of the world to unite their efforts in the general fight against organized crime and, specifically, against the financial side of drug trafficking, arms smuggling, and human trafficking. Also, the *United Nations Convention against Corruption (UNCAC)* of 2003 is instrumental in putting an end to corruption and the laundering of corruptly obtained proceeds through the implementation of legal and institutional reforms and facilitation of international cooperation.

The International Convention for the Suppression of the Financing of Terrorism (1999), as a single issue, specifies as a crime the act of giving money for terror acts. It also requires the countries to take preventive and charitable measures and, in addition, assign punishments. For their part, the Single Convention on Narcotic Drugs (1961) and the *United Nations Convention against Illicit Trafficking in Narcotic Drugs and Psychotropic Substances (1988)* set the international rules in both drug trafficking and associated money laundering activities.

The establishment of the *Arms Trade Treaty (ATT) (2013)* and the *Kinshasa Convention (2010)* were a step towards setting the criteria for lawful arms transfers on the issue of regulation of trade in conventional arms and the cutting off of illegal arms flows that cause conflicts. Most of illegal financing comes from the trade of humans, *The Protocol to Prevent, Suppress and Punish Trafficking in Persons, Especially Women and Children (2000)*, which is the Palermo Convention's annex and that deals with the elimination of the criminal networks, is the one that handles the issue. Moreover, the *Arab Convention against Corruption (2010)* is a regional instrument that supports the coordination of anti-corruption and financial-crime-prevention activities within the Arab states so that they can better integrate with the global legal frameworks.

In this regard, the United Nations Security Council has made a number of significant moves, among which is the enactment of resolutions like Resolution 1267 and 1373. The activities carried out in line with these resolutions, the freezing of bank accounts, and the instructions given to the Member States to enhance their legal anti-terrorism instruments are the things that define these resolutions. Besides the actions mentioned, the resolutions underline the desperate need for coordinated international efforts to find and break the financial transactions that terrorists use. Meanwhile, the Human Rights Council has conveyed to the world that even when AML/CFT measures are in place, fundamental human rights cannot be ignored.

Furthermore, there are also many international organizations like the Financial Action Task Force (FATF) that set worldwide standards through its 40 Recommendations. These recommendations offer in-depth guidance on how to formulate and put into practice comprehensive AML/CFT laws. Although these recommendations do not constitute a treaty, they have been converted into a standard for national and regional frameworks worldwide. To achieve this, the Basel Committee on Banking Supervision is there to help by giving financial institutions guidance on how to identify and tackle the risks related to money laundering and terrorist financing. The United Nations Office on Drugs and Crime (UNODC) is always willing to provide support to states in their implementation through technical assistance and by opening the avenue for international cooperation.

The fulfillment of these global imperatives at the local level is a matter of national legislation, which should penalize illicit financial activities, set up a regime for financial institutions, and lay down the provisions for the collaboration of law enforcement agencies from different countries. They can go beyond their jurisdictions in the hunt for criminals and in the retrieval of stolen assets by means of Mutual Legal Assistance Treaties (MLATs), information-sharing platforms, and other similar mechanisms. On their side, regional bodies are very potent tools too, not only in the adjustment and execution of these standards with respect to the political and socioeconomic factors of their regions but also in the implementation of these standards.

Combined, these laws, the resolutions, and the institutional frameworks are the pillars of the global fight against illegal fund networks. The legislation urges member states to fortify their domestic legal mechanisms and to engage closely at a multilateral level to tear down the financial routes that are the veins of drug trafficking, arms smuggling, human trafficking, and terrorism financing.

Questions a Resolution Must Answer (QARMA)

This is the most important section of this Background Guide, as it lists out the main issues that committee must discuss and resolve for JMUN'26 - we urge delegates to base the discussions on topics including (but not limited to) the following:

- 1) How can Member States improve intelligence-sharing mechanisms and operational cooperation (between Financial Intelligence Units, law enforcement agencies, and regional partners) to more effectively monitor and intercept trafficking routes used by terrorist groups?
- 2) What mechanisms can be implemented to enhance the security and governance of porous borders (land, maritime, and desert routes included) while respecting state sovereignty and avoiding harm to civilian border communities?
- 3) How can Member States strengthen institutional transparency, regulatory oversight, and anti-corruption frameworks to prevent state corruption or instability from enabling terrorist operations and illicit financial networks?
- 4) How can governments address the socioeconomic vulnerabilities exploited by terrorist organizations, including poverty, displacement, and lack of access to lawful employment, in order to reduce reliance on criminal or terrorist networks?
- 5) How can states identify, monitor, and disrupt terrorist recruitment and financing methods in digital spaces while safeguarding freedom of expression and legitimate financial activity?
- 6) What reforms or capacity-building measures are needed to strengthen existing international and regional organizations and initiatives (FATF, MENAFATF, FIUs, and UN mechanisms) to ensure more effective coordination in countering terrorist financing?
- 7) How can Member States balance robust counter-terrorism financing measures with the protection of humanitarian action, civil society, and human rights, particularly in conflict-affected and fragile regions like the MENA region?

