

**U.S. DEPARTMENT OF STATE COUNTERTERRORISM  
BUREAU: ENSURING RESOURCES MATCH  
OBJECTIVES**

---

**HEARING**  
BEFORE THE  
SUBCOMMITTEE ON TERRORISM,  
NONPROLIFERATION, AND TRADE  
OF THE  
COMMITTEE ON FOREIGN AFFAIRS  
HOUSE OF REPRESENTATIVES  
ONE HUNDRED FIFTEENTH CONGRESS  
SECOND SESSION

NOVEMBER 14, 2018

**Serial No. 115-170**

Printed for the use of the Committee on Foreign Affairs



Available: <http://www.foreignaffairs.house.gov/>, <http://docs.house.gov/>,  
or <http://www.govinfo.gov>

U.S. GOVERNMENT PUBLISHING OFFICE

32-772PDF

WASHINGTON : 2018

## COMMITTEE ON FOREIGN AFFAIRS

EDWARD R. ROYCE, California, *Chairman*

CHRISTOPHER H. SMITH, New Jersey	ELIOT L. ENGEL, New York
ILEANA ROS-LEHTINEN, Florida	BRAD SHERMAN, California
DANA ROHRABACHER, California	GREGORY W. MEEKS, New York
STEVE CHABOT, Ohio	ALBIO SIRES, New Jersey
JOE WILSON, South Carolina	GERALD E. CONNOLLY, Virginia
MICHAEL T. McCAUL, Texas	THEODORE E. DEUTCH, Florida
TED POE, Texas	KAREN BASS, California
DARRELL E. ISSA, California	WILLIAM R. KEATING, Massachusetts
TOM MARINO, Pennsylvania	DAVID N. CICILLINE, Rhode Island
MO BROOKS, Alabama	AMI BERA, California
PAUL COOK, California	LOIS FRANKEL, Florida
SCOTT PERRY, Pennsylvania	TULSI GABBARD, Hawaii
MARK MEADOWS, North Carolina	JOAQUIN CASTRO, Texas
TED S. YOHO, Florida	ROBIN L. KELLY, Illinois
ADAM KINZINGER, Illinois	BRENDAN F. BOYLE, Pennsylvania
LEE M. ZELDIN, New York	DINA TITUS, Nevada
DANIEL M. DONOVAN, JR., New York	NORMA J. TORRES, California
F. JAMES SENSENBRENNER, JR., Wisconsin	BRADLEY SCOTT SCHNEIDER, Illinois
ANN WAGNER, Missouri	THOMAS R. SUOZZI, New York
BRIAN J. MAST, Florida	ADRIANO ESPAILLAT, New York
FRANCIS ROONEY, Florida	TED LIEU, California
BRIAN K. FITZPATRICK, Pennsylvania	
THOMAS A. GARRETT, JR., Virginia	
JOHN R. CURTIS, Utah	
VACANT	

AMY PORTER, *Chief of Staff*

THOMAS SHEEHY, *Staff Director*

JASON STEINBAUM, *Democratic Staff Director*

---

## SUBCOMMITTEE ON TERRORISM, NONPROLIFERATION, AND TRADE

TED POE, Texas, *Chairman*

JOE WILSON, South Carolina	WILLIAM R. KEATING, Massachusetts
DARRELL E. ISSA, California	LOIS FRANKEL, Florida
PAUL COOK, California	BRENDAN F. BOYLE, Pennsylvania
SCOTT PERRY, Pennsylvania	DINA TITUS, Nevada
LEE M. ZELDIN, New York	NORMA J. TORRES, California
BRIAN J. MAST, Florida	BRADLEY SCOTT SCHNEIDER, Illinois
THOMAS A. GARRETT, JR., Virginia	

## CONTENTS

---

	Page
WITNESS	
The Honorable Nathan Alexander Sales, Coordinator for Counterterrorism, Bureau of Counterterrorism and Countering Violent Extremism, U.S. De- partment of State .....	8
LETTERS, STATEMENTS, ETC., SUBMITTED FOR THE HEARING	
The Honorable Ted Poe, a Representative in Congress from the State of Texas, and chairman, Subcommittee on Terrorism, Nonproliferation, and Trade: Prepared statement .....	4
The Honorable Nathan Alexander Sales: Prepared statement .....	10
APPENDIX	
Hearing notice .....	34
Hearing minutes .....	35



**U.S. DEPARTMENT OF STATE  
COUNTERTERRORISM BUREAU: ENSURING  
RESOURCES MATCH OBJECTIVES**

---

**WEDNESDAY, NOVEMBER 14, 2018**

HOUSE OF REPRESENTATIVES,  
SUBCOMMITTEE ON TERRORISM, NONPROLIFERATION, AND TRADE,  
COMMITTEE ON FOREIGN AFFAIRS,  
*Washington, DC.*

The subcommittee met, pursuant to notice, at 2 o'clock p.m., in room 2172, Rayburn House Office Building, Hon. Ted Poe (chairman of the subcommittee) presiding.

Mr. POE. The subcommittee will come to order. Without objection, all members may have 5 days to submit statements, questions, extraneous materials for the record, subject to the length limitation in the rules. I will now use my time to make an opening statement, and then I will turn it over to the ranking member.

Before I go into the details of this particular hearing, I want to publicly comment on the good work and relationship that the chair has had with the ranking member, Mr. Keating from Massachusetts. We both are former prosecutors, and he brings a good tone to this committee and the full committee, as well.

And I want to thank him for the easy way it has been for us to work together while I have been chair of this committee. We don't always agree, but we get along quite well. I think our subcommittee especially, and the Foreign Affairs Committee, do an excellent job of bipartisan work. You never hear about it because we are not fussing and fighting and feuding.

So I want to thank him publicly for his role in the last several years on this subcommittee. And I don't know what the future holds, but you may be chair of this committee or another one come January the 2nd. But thank you very much for the bipartisanship and relationship that we both have had together.

The threat of terrorism remains a deadly challenge for us and our allies around the globe. In the last 4 years we have seen the ability of terrorist groups—many of which we had thought were defeated—to evolve and attract thousands and recruit others for their violent cause. ISIS, al-Qaeda, Iran, and all their affiliates and their proxies are very active and waiting in the shadows for an opportunity to strike again.

Although we have made great progress against these terrorists on the battlefields of Iraq, Syria, Libya, and Afghanistan, the gains are fragile. Last week a report by the Pentagon warned that ISIS

fighters have moved underground and are regrouping. Many of those terrorists that were in the Middle East have been run out of Middle East and fled to Africa and are regrouping and causing mischief there.

We must not become complacent. We must continue to be vigilant until those ideologies that motivate violent extremism are cast into the dustbin of history.

I applaud the White House's new National Strategy for Counterterrorism. This document drastically changes the U.S. Government's perspective on the war on terrorism. It correctly frames the battle in terms of an enduring challenge that must be managed to protect the homeland, instead of a mission that has a beginning and an end. It clearly recognizes the broad and diverse challenges we face from terrorism, including Iran's growing network of terrorist proxies and the ability of terrorists to exploit cyberspace.

The strategy prioritizes countering terrorist use of the internet for radicalization, recruitment, and fundraising, three things that I have long made clear that is why they use the internet. Many times they use our own platforms to radicalize, to recruit, and to fundraise.

This is a priority I introduced into the State Authorities bill last Congress, and I am glad to see the White House is taking this seriously.

The strategy also makes it clear that this fight is not America's burden alone. International partners play an important role and we can empower them by bolstering their capabilities and increasing cooperation. After all, we are all in this together.

That is where the State Department's Counterterrorism Bureau comes in. Created in 1972 in response to the Munich Olympics attack, the Bureau forges partnerships with foreign governments, multilateral organizations, and NGOs to coordinate and advance U.S. Counterterrorism objectives that enhance global security as well as our own.

Under that broad mission, it has several core responsibilities, including coordinating strategy across the State Department and other agencies, conducting counterterrorism diplomacy, and building capacity of partner nations to address terrorist threats within their own.

Given the enduring threat from terrorism that we and our allies face, it is crucial that the CT Bureau does its job effectively and efficiently. It is our job in Congress to make sure that the American taxpayers are getting their money's worth. When we are talking millions of dollars going toward programs abroad, the people in my district are right to demand how it contributes to their personal safety and security and the security of our Nation.

This is all the more important given that the Bureau has had significant funding cuts over recent years. With limited resources every penny must be spent wisely.

For example, the State Department's inspector general filed a report last year that found much of the antiterrorism assistance we had given to Pakistan was not even being used, including dozens of courses not implemented in Pakistan. I pleased to hear that the Bureau has since repurposed many of the resources that had been sent to Pakistan to other more worthwhile programs.

Effective monitoring and evaluation programs are crucial in spotting what is not working and making changes that do. For instance, we need assurances that the programming initiated and implemented by the CT Bureau to prevent radicalization actually works. Is the Bureau still in the business of “countering violent extremism”? If so, has the Bureau developed any mechanisms to prove that such programs are working at all?

Ambassador Sales, I appreciate your strong comments against Iranian-backed terrorism yesterday at the Washington Institute. As you know, I am eager to see our Government go a step further than just designating the IRGC for terrorist activity. If we mean business, we must go after Iran’s terrorist proxies in Iraq and Syria. Iran is playing us because they use terrorist proxies instead of the IRGC to spread terrorism in the region.

I do applaud the Treasury’s designation yesterday of four Hezbollah-affiliated terrorists in Iraq. Now the State Department must follow suit and finally designate groups like AAH and HHN for what they are: They are foreign terrorist organizations that have blood of Americans on their hands. At the very least, their affiliation with the IRGC should be enough to meet the criteria to designate them.

Ambassador Sales, thank you for your important work and for being here today. I look forward to your testimony.

Now I will turn it over to the ranking member, Mr. Keating from Massachusetts, for his opening comments.

[The prepared statement of Mr. Poe follows:]

Opening Statement of the Honorable **Ted Poe (R-TX), Chairman**  
 Subcommittee on Terrorism, Nonproliferation, and Trade Hearing:  
 “U.S. Department of State’s Counterterrorism Bureau:  
 Ensuring Resources Match Objectives”  
 November 14, 2018

(As prepared for delivery)

The threat of terrorism remains a deadly challenge for us and our allies around the globe. In the last four years alone, we have seen the ability of terrorist groups—many of which we had thought we had defeated—to evolve and attract thousands of recruits to their violent cause. ISIS, al-Qaeda, Iran, and all their affiliates and proxies are still active and waiting in the shadows for an opportunity to strike again.

Although we have made great progress against these terrorists on the battlefields of Iraq, Syria, Libya, and Afghanistan, our gains remain fragile. Just last week, a report by the Pentagon warned that ISIS fighters have moved underground and are regrouping. We must not become complacent again. We must continue to be vigilant until the ideologies that motivate violent extremism are cast into the dustbin of history.

I applaud the White House’s new National Strategy for Counterterrorism. This document drastically changed the US government’s perspective on the war on terrorism. It correctly frames the battle in terms of an enduring challenge that must be managed to protect the homeland, instead of a mission that has a beginning and end. It clearly recognizes the broad and diverse challenges we face from terrorism, including Iran’s growing network of terrorist proxies and the ability of terrorists to exploit cyberspace.

The strategy prioritizes countering terrorist use of the internet for radicalization, recruitment, and fundraising. This is a priority I introduced into the State Authorities bill last Congress and I am glad the White House is taking it seriously. The strategy also makes clear that this fight is not America’s burden alone. Our international partners play an important role. We can empower them by bolstering their capabilities and increasing cooperation.

That is where the State Department’s Counterterrorism Bureau comes in.

Created in 1972 in response to the Munich Olympics attack, the Bureau forges partnerships with foreign governments, multilateral organizations, and NGOs to coordinate and advance U.S. counterterrorism objectives that enhance global security as well as our own. Under that broad mission it has several core responsibilities, including coordinating strategy across the State Department and other agencies, conducting counterterrorism diplomacy, and building capacity of partner nations to address terrorist threats within their own.

Given the enduring threat from terrorism that we and our allies face, it is crucial that CT Bureau does its job effectively and efficiently. It is our job in Congress to ensure that the American



taxpayers are getting their money's worth. When we are talking about millions of dollars going towards programs abroad, the people of my district are right to demand how it contributes to their safety and security. This is all the more important given that the Bureau has seen significant funding cuts over recent years. With limited resources every penny must be spent wisely.

For example, the State Department's Inspector General filed a report last year that found much of the antiterrorism assistance we had been given to Pakistan was not being used, including dozens of courses not implemented. I am pleased to hear the Bureau has since repurposed many of the resources that had been sent to Pakistan to other more worthwhile programs. We cannot afford to throw good money after bad. Effective monitoring and evaluation programs are crucial to spotting what is not working and making changes that do.

For instance, we need assurances that the programming initiated and implemented by CT Bureau to prevent radicalization actually works. Is the Bureau still in the business of "countering violent extremism" (CVE)? If so, has the Bureau developed any mechanisms to prove that such programming works?

Ambassador Sales, I appreciated your strong comments against Iranian-backed terrorism yesterday at the Washington Institute. As you probably know, I am eager to see our government go one step further than just designating the IRGC for terrorist activity. If we mean business, we must go after the Iran's terrorist proxies in Iraq and Syria.

I applaud Treasury's designations yesterday of four Hezbollah-affiliated terrorists in Iraq. Now the State Department must follow suit and finally designate groups like AAH and HHN for what they are: foreign terrorist organizations. At the very least, their affiliation with the IRGC should be enough to meet the criteria for designation.

Amb. Sales, thank you for your important work and for being here today. I look forward to your testimony.

---

Mr. KEATING. Thank you, Mr. Chairman. And since this will be our last hearing, I just want to thank you for your work. I think it shows a great deal in Congress right now where a conservative Republican from Texas joins with a progressive Democrat from Massachusetts—

Mr. POE. That is pretty bipartisan, isn't it?

Mr. KEATING. That is as much as it can get, but in a good way. And although many of these things might have been lost in the news cycle, because we work together so smoothly, it hasn't been lost internationally. I can think of our work together trying to bring support to a country that has great concerns over their head in Georgia, working together on that; working on the tariff issue, something that was noticed strongly, particularly by the European Union countries, where we made our bipartisan voice heard on our concern for some of those moves; as well as keeping Saudi Arabia's feet to the fire on issues and some of their promises.

So we have worked together on those issues and many other issues together, and I will miss working with you. You have decided to go another way, and that is just the way it is. I can say that for the last time.

And I would like to thank you for holding this hearing with Ambassador Sales today returning again to the subcommittee to discuss the Bureau's budget and policy objectives.

I look forward to your testimony today now that you are a full year into your duties in this role.

Fighting terrorism is also not solely the function of the military. That is not how it works in the United States fighting domestic terrorism, and it is not long-term strategy for how it can be worked successfully abroad in other countries. Capacity building for law enforcement, improving governments, and rule of law to address systematic grievances in communities, it is critical, and we need to put the proper funding behind these and other efforts if we are going to have a counterterrorism strategy that is successful in the long term.

I am, therefore, concerned by the State Department's request for less funding overall, and specifically for antiterrorism programs. I don't know how we can expect any gains made by our military to last if we don't back up their hard-fought efforts with robust work through our State Department and USAID engagements.

What is more, terrorist capacities are evolving with increased concerns over cyber attacks or the use of weapons of mass destruction, like a chemical attack. We are still working tirelessly to make a lasting, significant dent in familiar terrorist threats, let alone the new ones. So a request for less funding to meet these new demands gives me pause, to say the least.

I am also saddened as threats for terrorism are actually getting worse in Afghanistan and as the conflict and humanitarian crisis in Yemen wears on at the expense of tens of thousands of lives lost and millions impacted, producing the perfect stage for extremism to take root for generations to come. Neither of these countries receives attention in recent national counterterrorism strategies issued by the White House, nor do any of the regions where ISIS fighters have traveled to or where their so-called caliphates have emerged reach that level.

You have an important job. Our Government has struggled for a long time trying to get counterterrorism right. The stakes are high. Americans are victims of foreign terrorists and of domestic terrorists. And we learn more and more every day about how many ways we can try to tackle this problem.

There is no easy answer, but there are themes, and I look forward to discussing what your Bureau is doing along these lines. For example, what your Bureau is doing to coordinate with other State Department, USAID, and Defense Department entities to minimize fragility and instability in places where radicalism efforts may more easily take hold.

These and many other issues I hope to cover today on our counterterrorism and CVE strategies. So I look forward to discussing with you whether and how these efforts to shape and effectively implement them are sufficiently resourced and coordinated at the State Department as part of the administration's whole-of-government approach to these issues.

With that, Mr. Chairman, I yield back.

Mr. POE. I thank the gentleman from Massachusetts.

The chair will recognize the gentleman from Illinois, Mr. Schneider, for an opening statement.

Mr. SCHNEIDER. Thank you. And I want to echo the remarks of my colleague to the chairman. I have appreciated working with you and wish you well in your next chapter. You will be missed here greatly, but thank you for all you have done.

Ambassador Sales, thank you for joining us. My focus, having reviewed your testimony, also reviewing your remarks yesterday at the Washington Institute, threats, terrorist threats are increasing around the world. They are increasing in geography and complexity. They are increasing in intensity. And yet, the request from the administration appears to be drawing back or at least reducing our investment in fighting against those threats. I am very concerned about that and look forward to your remarks there.

I do appreciate your remarks yesterday about Iran. Iran is the number one state sponsor of terror, they are a threat, not just in the region, around the world. Within the region, their support for Hezbollah, the fact that Hezbollah is increasingly strong, war-tested, developing indigenous missile manufacturing capability to threaten Israel and the region is of great concern.

So my request is that we continue to stay focused. And I look forward to hearing your remarks about how we intend to fight against these threats.

With that, I yield back.

Mr. POE. I thank the gentleman.

Ambassador Nathan Sales is the coordinator for counterterrorism at the State Department. Ambassador Sales was previously a law professor at Syracuse University of Law, and before that deputy assistant secretary for policy at the Department of Homeland Security.

Ambassador Sales, we all have your written testimony, and if you can limit your testimony to 5 minutes, then we will ask you questions. You are recognized. Thank you.

**STATEMENT OF THE HONORABLE NATHAN ALEXANDER SALES, COORDINATOR FOR COUNTERTERRORISM, BUREAU OF COUNTERTERRORISM AND COUNTERING VIOLENT EXTREMISM, U.S. DEPARTMENT OF STATE**

Ambassador SALES. Well, thanks very much, Chairman Poe and Ranking Member Keating, for hosting this hearing today. It is a pleasure to be back before the subcommittee.

Let me just say, Mr. Chairman, we will miss you. I will add the State Department's words of well wishes as you move on to the next chapter. Thank you for your service over the years, particularly on the problem of terrorism.

And, Mr. Ranking Member Keating, it is a pleasure to see you again. I look toward to working with you in the next Congress in this committee or in another capacity.

Thanks for the opportunity to be here to talk to you about the work of the State Department's Counterterrorism Bureau and our ongoing efforts to protect the American people and our interests from the threat of terrorism at home and abroad.

I would like to start by highlighting a few of the key points in the administration's counterterrorism strategy, which we released on October 4. This is the fourth strategy that the U.S. Government has released since 9/11 and the first one since 2011. It reflects today's fluid, complex, and diverse terrorist landscape and lays out the administration's plan for defeating our terrorist adversaries.

The strategy sets forth a comprehensive whole-of-government approach that relies not just on military tools, but on civilian tools as well. In addition, we are not focusing on one or two particular terrorist groups, but on the full spectrum of terrorist organizations that could threaten our interests. In the same way, we are not focusing on particular geographic regions. Instead our strategy sets forth foundational principles and priorities that we will pursue globally. The strategy renews our commitment to defeating global terrorist organizations and networks like al-Qaeda and ISIS.

In addition, it is no secret, certainly not to this subcommittee, that Iran remains the world's leading state sponsor of terrorism. Tehran spends nearly \$1 billion a year to support its terrorist proxies, \$1 billion a year. The regime has a truly global reach and we must elevate our efforts to counter its destructive influence around the world.

Our strategy is an America first strategy, but that does not mean America alone. Quite the contrary, in fact. Terrorism is a global threat and all nations have a role to play in countering it. Our strategy specifically highlights the need to leverage existing counterterrorism partnerships and develop new ones, and to build our partner's capabilities. Our goal is for our partners to be able to confront the terrorist threats they face independently, without needing to routinely turn to the United States for assistance.

Let me quickly run through some of our most important efforts.

First, countering Iran and its terrorist proxies is a top priority for the Trump administration. We are using all of our tools to counter these deadly threats. We are pressing for greater international action against Hezbollah and delivering this message to our diplomatic partners at high levels.

We are also helping our partners develop the capabilities they need to uncover and dismantle Iran's networks. So far this year the administration has announced over 120 designation actions against Iran-backed entities and individuals under our counterterrorism authorities, 120.

Just yesterday, the State Department announced two new Iran-related designations. We sanctioned Jawad Nasrallah, a rising Hezbollah figure, and the son of Hassan Nasrallah, the group's secretary general. We also designated the Al-Mujahidin Brigades, a terrorist group that has operated in the Palestinian territory since 2005 and whose members have plotted a number of attacks against Israeli targets. These State Department actions are in addition to the Treasury Department actions that you have already mentioned.

Second, the administration is focused on cutting off the flow of money to terrorism. We don't just want to stop the bomber, we want to stop the money man who pays for the bomb. So far this year my Bureau has announced 50 terrorist designation actions against groups and individuals under our foreign terrorist organization authorities, as well as under Executive Order 13224. We are also building the capacity of our partners to investigate, prosecute, and interdict funding to and facilitators of terrorism.

Third, we are working to disrupt terrorist travel. We are leading the charge on greater information sharing and promoting effective screening and watchlisting around the world. These efforts received a powerful boost last December when the U.N. Security Council adopted Resolution 2396, which includes a number of new tools that will be mandatory for the international community to adopt, including the use of passenger name record data or PNR. In short, the resolution takes a number of critical counterterrorism measures that the United States pioneered after 9/11 and makes them global standards.

Fourth, we are addressing the threats from foreign terrorist fighters and home-grown terrorists. Although foreign terrorist fighters are no longer streaming into the war zone in large numbers, we are focusing on them leaving the war zone, returning to their home countries or third countries.

I see that my time has expired. The last thing I will say is that we are focusing on prevention and keeping the next generation of terrorists from emerging in the first place. And this is why our efforts to combat terrorist ideology and to combat recruitment are so critical.

Mr. Chairman, Mr. Ranking Member, and all the members of the subcommittee, the terrorist threat is constantly evolving, and it is incumbent upon us as a government, and with our allies, to adapt along with that threat. My Bureau and I greatly appreciate Congress' efforts and support in this shared endeavor. I look forward to your questions and our conversation.

[The prepared statement of Ambassador Sales follows:]

**STATEMENT FOR THE RECORD**

**NATHAN A. SALES**

Coordinator for Counterterrorism

**U.S. Department of State Counterterrorism Bureau:  
Ensuring Resources Match Objectives**

**HOUSE FOREIGN AFFAIRS COMMITTEE  
Subcommittee on Terrorism, Nonproliferation, and Trade**

**November 14, 2018  
2:00 p.m.**

---

Chairman Poe, Ranking Member Keating, and distinguished members of the Subcommittee: thank you for this opportunity to discuss the work of the State Department's Counterterrorism Bureau, the Administration's new National Strategy for Counterterrorism, and our ongoing efforts to protect America's security at home and abroad.

The CT Bureau continues to play a critical role in efforts to defeat transnational terrorist organizations. And our partners remain integral to our success. We will continue to leverage these partnerships to advance U.S. counterterrorism priorities and address the full spectrum of terrorism threats.

The Administration's Fiscal Year 2019 budget request for the CT Bureau includes more than \$237 million to implement the President's counterterrorism strategy. This request prioritizes funding for programs that advance our long-term capacity-building goals and directly support top counterterrorism priorities. The programs address critical areas, including crisis response; aviation and border security; counterterrorism legal frameworks (i.e., for investigations, prosecutions, and corrections); countering the financing of terrorism; and addressing terrorist radicalization, recruitment, and rehabilitation.

The FY 2019 request also reflects our commitment to balancing and sharing more of the financial burden with our friends and allies. The United States continues to lead the world in global counterterrorism, but we cannot do this alone. We need our partners to increase their own commitment of resources to counterterrorism within and outside their own borders.

I would like to also like to highlight the Administration's new National Strategy for Counterterrorism, which was released on October 4. This is the fourth strategy released since 9/11 and the first one since 2011. It reflects today's fluid, complex, and diverse terrorist landscape, and lays out the Administration's plan for defeating our terrorist adversaries.

The strategy sets forth a comprehensive whole-of-government approach that relies on both civilian and military tools. Unlike previous approaches, this strategy does not focus on one or two terrorist organizations or particular countries or geographic regions. Rather, it sets forth foundational principles and priorities to pursue globally, largely along thematic lines. It is comprehensive, emphasizing a wide range of tools that can counter a broad array of terrorist threats. The strategy also renews our commitment to defeating global terrorist organizations and networks, such as ISIS and al-Qa'ida. In addition to these groups, Iran remains the world's leading state sponsor of terrorism. The Iranian regime and its terrorist proxies have a truly global reach and we must elevate our efforts to counter Iran's destructive activities around the world.

This is an "America First" strategy, but that does not mean "America alone." Terrorism is a global threat, and all nations have a role to play in countering it. The strategy specifically highlights the value of promoting existing counterterrorism partnerships and developing new ones, building our partners' capabilities, and addressing terrorist radicalization and recruitment.

In particular I'd like to run through the strategy's themes that are relevant to global partnerships and international capabilities. The strategy establishes six lines of effort to eliminate the terrorist threat to the United States:

1. Pursue terrorist threats to their source;
2. Isolate terrorists from financial, material, and logistical sources of support;
3. Modernize and integrate a broader set of United States tools and authorities to counter terrorism and protect the homeland;
4. Protect United States infrastructure and enhance preparedness;
5. Counter terrorist radicalization and recruitment; and
6. Strengthen the counterterrorism abilities of international partners.

The United States will remain a global counterterrorism leader and the State Department plays an important role in all six of these areas. We are at the forefront of the U.S. Government's efforts to establish stronger and more robust counterterrorism partnerships, to bolster the counterterrorism capabilities of key

foreign governments, to expand information sharing between and within partner nations, and to support locally-driven terrorism prevention.

We are prioritizing the allocation of U.S. resources and encouraging allies and partners to assume a greater share of the burden. As part of this strategy, we will be working closely with our partners to encourage them to use their unique resources, relationships, and reach when it comes to countering and defeating global terrorist organizations.

### **Terrorist Threats to the United States and our Interests**

The CT Bureau's budget is shaped by U.S. national security interests and driven by the terrorist landscape, which has become even more complex over the past several years. ISIS, al-Qa'ida, and their affiliates have proven to be resilient, determined, and adaptable. They have adjusted to heightened counterterrorism pressure. Ninety-nine percent of the territory ISIS once held in Iraq and Syria is now liberated, and more than 7.7 million people have been freed from ISIS' brutal rule. Approximately 50 percent of all the territory liberated from ISIS in Iraq and Syria has been recovered since President Trump took office in January 2017. Yet despite these successes, this fight is not over – it is simply moving into a new phase.

While foreign terrorist fighters (FTFs) are no longer traveling to the conflict zones, they are now leaving Iraq and Syria to head home or travel to third countries. Attacks by homegrown terrorists – those inspired or directed by ISIS or al-Qa'ida who have never stepped foot in a war zone – are also increasing. And as counterterrorism efforts shift from the battlefield, civilian tools will have to play a larger role against these evolved terrorist threats.

ISIS has adapted to its battlefield losses by plotting, directing, and inspiring attacks around the world, particularly on soft targets and in public spaces like hotels, tourist resorts, and cultural sites. We have seen this trend in Bamako, Barcelona, Istanbul, Jakarta, London, Marawi, Ouagadougou, and New York City, among others.

Despite core leadership losses over the years, al-Qa'ida's global network has quietly expanded its ranks and operations worldwide and its footprint now includes Afghanistan, Pakistan, Syria, Mali, Yemen, Somalia, and other countries. Al-Qa'ida leader Ayman al-Zawahiri continues to call for attacks on the United States and our citizens around the world.



Meanwhile, Iran remains the world's leading state sponsor of terrorism. The Iranian regime is responsible for intensifying multiple conflicts and undermining U.S. interests in Afghanistan, Bahrain, Iraq, Lebanon, Syria, and Yemen. Sometimes it acts directly through state organs such as the Islamic Revolutionary Guard Corps' Qods Force; sometimes it acts through terrorist partners, such as Hizballah or proxies such as Shia militia groups. Tehran supports Palestinian terrorists in Gaza and provides hundreds of millions of dollars in funding, equipment, and training to other terrorist groups. Iran also continues to perpetuate a civil war and humanitarian crisis in Yemen through its support of Houthi militants which threatens U.S. citizens living in Saudi Arabia. The threat posed by Iran's support for terrorism is not confined to the Middle East, however. It is truly global.

On June 30, German authorities arrested an Iranian official under diplomatic cover for his role in a terrorist plot to bomb a political rally near Paris, France. Authorities in Belgium and France also made arrests in connection with the plot. Other Iranian and Hizballah operatives have been arrested in the past several years in Europe, Africa, South America, Asia, and the United States – demonstrating the global reach of these networks.

Since 2012 alone, Hizballah has conducted a successful terrorist attack in Bulgaria that killed six, undertaken two separate plots in Cyprus, developed large caches of military equipment and explosives in Kuwait, Nigeria, and Bolivia, and sent terrorist operatives to Peru and Thailand.

#### **Prioritizing Targeted Assistance**

The United States needs knowledgeable and capable partners to address these evolving terrorist threats that endanger the United States and our interests around the world. These partners' border security officials, police, prosecutors, and other civilian officials play an important role in our efforts to prevent global terrorists from attacking the United States.

To this end, we are requesting Nonproliferation, Antiterrorism, and Demining Related programs (NADR) and Economic Support Funds (ESF) in FY 2019 for targeted, high-impact assistance to enable governments to address the threats we care about most. These efforts include isolating and cutting off terrorist organizations from their means of support, countering the threat posed by returning FTFs and homegrown terrorists, and preventing and mitigating terrorist attacks. We see this as an investment not only in these countries' safety but also in our own security as

well. Our goal is for our partners to ultimately be able to address the terrorist threats they face independently, without turning to the United States for assistance.

### **Disrupting Terrorist Travel**

To support the strategy's border security and terrorist travel objectives, the CT Bureau will support partners' efforts to detect terrorists well before they reach our own borders. The CT Bureau, in close coordination with interagency colleagues, works with our foreign partners to increase security at their borders to better identify, restrict, and report the travel of known and suspected terrorists. We are leading the charge on greater information sharing and promoting effective screening and watchlisting practices around the world.

These efforts received a powerful boost last December, when the UN Security Council adopted Resolution 2396. UNSCR 2396 includes a number of critical measures to combat terrorist travel and address homegrown terrorists inspired by ISIS, al-Qa'ida, and similar groups. It takes a number of counterterrorism tools the United States pioneered after 9/11 and calls on the rest of the world to live up to the same standards.

First, the resolution requires all UN members to collect and use Passenger Name Record (PNR) data to detect and stop terrorist travel. PNR is the information associated with an airline reservation. Border officials can use PNR data and other information to identify potentially risky travelers based on certain travel patterns, scenarios, or relationships. For example, authorities can use PNR to identify a passenger whose reservation included a telephone number associated with a known terrorist. That enables border officials to make risk-based operational decisions before a traveler boards an aircraft or enters our country.

Second, Resolution 2396 requires member states to maintain watchlists of known and suspected terrorists and to collect and use biometrics, such as fingerprints and photos. These tools help authorities spot terrorists if they attempt to board planes or cross borders. And because we all need to interdict threats before they reach our respective shores, the resolution calls for states to share this information internally and externally.

To help our partners meet these requirements, we are increasing our investments in border security capacity-building programs through the Administration's request for the Antiterrorism Assistance program, the Terrorist Interdiction Program (TIP), and the Counterterrorism Partnerships Fund (CTPF). Working through the Global

Counterterrorism Forum (GCTF), the United States and Morocco launched the Terrorist Travel Initiative on the margins of the 2018 UN General Assembly. This initiative is bringing together national and local governments, law enforcement and border screening practitioners, and international organizations to share expertise on watchlisting and screening tools and to develop a set of international good practices.

Through the CTPF program, we are also working together with INTERPOL to extend connectivity of its I-24/7 secure global police communications system to more air, land, and sea ports of entry in priority countries. This will ensure that INTERPOL databases – such as notices on FTFs and stolen and lost travel documents – can be used for traveler screening. Since 2016, we have helped Indonesia and Malaysia bring more than 31 ports of entry into the system. The tangible impact of this program was on full display in April of this year, when Indonesian officials detained an individual wanted by the United States when he attempted to enter Indonesia at Bali International Airport.

We must be sure that our partners have the border security technologies to keep pace with evolving terrorist tradecraft. Through TIP, we are continuing to improve and expand the Personal Identification Secure Comparison and Evaluation System (PISCES) program. PISCES provides state-of-the-art border screening systems to 24 countries around the world. The increasing sophistication that terrorist groups use to create fraudulent travel documents, coupled with changes in terrorist travel patterns, prompted the CT Bureau to invest in advanced technologies such as facial recognition algorithms for PISCES.

### **Countering the Financing of Terrorism**

We have made significant advances in counterterrorism finance, but more work remains. We must work with private and public sector partners to deny terrorist funding for their operations. As such, we need our partners to develop the necessary legal regimes to sanction terrorists and their financial and logistical enablers. We don't just want to stop the bomber, we want to stop the moneyman who pays for the bomb.

So far this year, the State Department has announced 50 terrorist designation actions against groups and individuals under our Foreign Terrorist Organization and Executive Order 13224 authorities. Where possible, we bring these designations to the United Nations for action, which can be a force multiplier for our domestic sanctions.

Through the Counterterrorism Finance program, the CT Bureau is also funding technical assistance programs that increase our partners' capacity to prevent terrorist financing and more effectively monitor and supervise their financial systems. When we improve their ability to identify and freeze terrorist assets, use financial intelligence, and investigate and prosecute suspects, we help shut down terrorists' access to the international financial system.

For example, in Iraq and Somalia, the CT Bureau is funding advisors who are providing training and on-site mentoring services for financial regulators to help prevent terrorists from being able to abuse the financial sector. In Qatar, the CT Bureau is partnering with the Departments of Justice and the Treasury to **strengthen** Qatar's ability to prosecute terrorism cases with a focus on terrorist financing.

### **Countering State Sponsors of Terrorism**

Countering Iran and its terrorist proxies is a top priority for the Trump Administration. We will continue to use all tools at our disposal to counter these serious threats. Pressing for greater international action against Hizballah in particular is one of our top diplomatic priorities, and we are engaging our partners at high levels to deliver this message.

Along with the Department of Justice, the CT Bureau continues to lead the U.S.-Europol Law Enforcement Coordination Group (LECG). The LECG, which now includes more than 30 countries, provides a forum for law enforcement practitioners and counterterrorism experts to develop strategies on how to counter Hizballah using law enforcement and financial tools.

As part of the Administration's campaign to increase pressure against Tehran, just yesterday, we sanctioned a number of Iranian-linked entities and individuals using counterterrorism authorities. We sanctioned Jawad Nasrallah as a Specially Designated Global Terrorist (SDGT) under Executive Order 13224. Jawad Nasrallah is a rising Hizballah leader and the son of SDGT Hassan Nasrallah, the Secretary General of Hizballah. Jawad has previously recruited individuals to carry out terrorist attacks against Israel in the West Bank. In January 2016, he tried to activate a suicide bombing and shooting cell in the West Bank, but the Israeli government arrested the five Palestinians recruited to the cell. We also designated the Al-Mujahidin Brigades (AMB) yesterday. The AMB is a military organization that has operated in the Palestinian Territories since 2005 and whose members have

plotted a number of attacks against Israeli targets. AMB has ties to Hizballah, and Hizballah has provided funding and military training to AMB members.

In addition, the State Department issued multimillion dollar Rewards for Justice against two Hizballah terrorist leaders – this is the first time this authority was used to target Hizballah in more than a decade.

The CT Bureau is increasing its efforts to give law enforcement and justice sector partners the capabilities they need to uncover and dismantle Iran’s terrorist logistical and fundraising networks. Countering Iran and its terrorist proxies will remain one of the primary areas of focus for our capacity building efforts under CTPF.

### **Strengthening Law Enforcement Capacity and Multilateral Cooperation**

The CT Bureau’s efforts to increase the ability of partner nations to investigate, prosecute, and adjudicate terrorism-related cases is integral to the enduring defeat of ISIS, al-Qa’ida, and other terrorist networks. We are working with partners to provide key law enforcement tools and legal frameworks focused on the latest terrorist threats.

In Somalia, CT-funded Joint Investigative Teams have investigated more than 300 attacks, successfully referring 18 complex cases for prosecution in court. Investigations by these CT-funded teams have led to multiple convictions in high-profile terrorism cases, including the bombing in Mogadishu in October 2017 – Somalia’s deadliest attack ever. Nearly 600 people were killed, including several American citizens, and more than 300 were injured.

In the Balkans, recently enacted FTF laws have led to guilty dispositions for 192 people over the last few years. Local prosecutors built these cases using skills and training provided by two CT-funded Department of Justice Resident Legal Advisors working in the region.

In Afghanistan, at the beginning of Eid celebrations in August, ISIS-Khorasan fired about 30 mortar rounds at Kabul’s diplomatic quarter and the Presidential Palace. Response teams, funded by the CT Bureau, arrived at the scene within minutes, led the counter assault, neutralized five ISIS attackers, and destroyed the terrorists’ firing positions.

In Tunisia earlier this year, the Tunisian National Guard unit stationed in Kasserine carried out simultaneous raids on six homes associated with terrorism suspects. The

unit detained seven suspects, conducted sensitive site exploitation, and seized a cache of weapons and ammunition. The Tunisians credit CT-funded training with giving them the skills and confidence to execute this type of raid on their own.

### **Countering the Threat of Returning FTFs and Homegrown Terrorists**

Countering the threat posed by FTFs and their support networks remains at the top of our priority list. We are now focusing on FTFs leaving the war zone in Syria and Iraq. The travel-related efforts I mentioned above – such as UNSCR 2396 and the GCTF Terrorist Travel Initiative – will be key elements of this enterprise.

We are also addressing the repatriation and prosecution of FTFs detained by our partners on the battlefield. We are encouraging foreign partners to take responsibility for their own citizens and ensure they have the laws, systems, and capabilities to prosecute them for any crimes they have committed. Some of our partners have the resources and capabilities to tackle these problems on their own, but others do not. In these cases, our assistance can be critical in enabling them to repatriate and prosecute their citizens. We are requesting ATA and CTPF funding to continue these efforts.

Handling returning FTFs is only one part of this equation. Countries also need to prevent the next generation of terrorists from emerging in the first place. This line of effort is essential to reducing recruitment and radicalization. These efforts are of critical importance and the Administration devotes an entire chapter to it in the new strategy.

\*\*\*

Chairman Poe, Ranking Member Keating, protecting the United States against terrorist threats is the CT Bureau's top priority and the Administration's FY 2019 budget request supports these efforts. We are robustly implementing the Administration's National Strategy for Counterterrorism. We appreciate the increased resources Congress has appropriated to us over the past several fiscal years for this important mission. We are encouraged by the successes from these investments and the partnerships we are building, only a few of which I highlighted today.

The terrorist threat is constantly evolving and we must adapt along with it. As the new strategy highlights, we must continue to prioritize efforts to dismantle terrorist safe havens and disrupt the movement of terrorist fighters and their resources. We

will continue to work hand-in-hand with domestic agencies and international partners to expand cooperation and promote civilian approaches to counterterrorism.

We greatly appreciate your support in this shared endeavor. I look forward to your questions.

Mr. POE. I recognize myself for some questions. Thank you again, Ambassador Sales, for being here.

You said the Iranian Government spends \$1 billion a year on their Iranian proxies? Is that what you said?

Ambassador SALES. That is right.

Mr. POE. And we spend about what, about \$230 million a year for your Bureau. Is that right?

Ambassador SALES. That was the request for fiscal year 2019, sir.

Mr. POE. How much do we spend?

Ambassador SALES. The numbers have fluctuated. In recent years it has been 222, 235, 400.

Mr. POE. All right. It is a quarter of what the Iranians spend on causing terror throughout the world. And we are spending a quarter of that trying to go after their proxies through your agency. That is the point I was trying to make.

We have no CT Bureau in South America. Is that correct?

Ambassador SALES. Well, my Bureau is actively involved with South American partners, sir.

Mr. POE. What does that mean?

Ambassador SALES. It means that we are trying to get the governments of South America to work with us to confront the full range of terrorist threats—

Mr. POE. So we want them to do it. We are trying to get them to do it.

Ambassador SALES. We are trying to get them to do it, yeah.

Mr. POE. Okay. But we are not actively involved, we are working through other countries, like maybe Colombia?

Ambassador SALES. Well, Congressman, we are actively involved, but our goal is to enable South American partners to do it themselves rather than turn to us for constant help.

Mr. POE. I understand.

How many proxies do the Iranians have working for them?

Ambassador SALES. Dozens. Hezbollah is the best known.

Mr. POE. I am not looking for a number. I know Hezbollah is the bad guy in the neighborhood. But how many proxies do have they have throughout the world? Do you have a number?

Ambassador SALES. I don't think there is a definitive number, but we can go through the list. And it is a very undistinguished list of bloodshed, groups like Hezbollah, groups like HHN and AAH that you mentioned, the al-Ashtar Brigade in Bahrain, various other militia groups in Iraq, throughout the region and around the world. They are not shy about using proxies to commit terrorism around the world.

Mr. POE. So rather than use the IRGC, which is a terrorist group, they just use another proxy, and that way they can deny culpability because this proxy is doing their bidding.

Ambassador SALES. Yes, sir.

Mr. POE. Is that a fair statement?

Ambassador SALES. In some cases they do that, sir. Sometimes they act directly and sometimes through proxies and cutouts.

Mr. POE. Okay. Why hasn't the State Department, why hasn't the government, our Government, designated AAH and HHN as terrorist proxies of Iran?



Ambassador SALES. Well, sir, we are certainly concerned about the violent activities that those groups are carrying out. As you well know, Iranian-backed militias in Iraq, speaking generally now, launched rockets at our Embassy in Baghdad, launched rockets at our consulate in Basra. And the threat environment has gotten to the point where we judged it necessary to suspend operations at Basra consulate.

Mr. POE. Specifically, Ambassador, why haven't we designated those two Iranian proxies as terrorist groups?

Ambassador SALES. Well, sir, I don't have anything to announce for you today, but I can assure you that we are looking at the full range of terrorist proxies backed by Iran and the way to take appropriate action against them.

Mr. POE. It seems to me that the Embassy in Baghdad is pushing against designating these two organizations as terrorist proxies. This summer we had part of this staff go to Baghdad and ask that they support designating these two groups as terrorist organizations, and they got pushback from the State Department, said that that is not going to happen. And then shortly thereafter four rockets came into Baghdad from AAH.

I am asking you to speculate here, but do you know why the State Department in Baghdad is obstinate about naming these two proxies, who now have 15 seats in the Iraqi Government, as terrorist groups?

Ambassador SALES. Well, Mr. Chairman, I am reluctant to put words in the mouth of my colleagues in Baghdad, but I think that the rocket attacks in Baghdad and the rocket attacks in Basra in recent weeks and months have had a clarifying effect on our awareness of the threat that Iran poses to the region and to our forces.

Mr. POE. It seems to me that we are fighting an uphill battle when we have 15 members of these proxy groups in the Government of Iraq and we are not calling them out for being terrorists with American blood on their hands. So I would just hope that we would, our Government, the United States Government, would designate these two organizations as terrorist groups, proxies of Iran.

And I agree with what you said about Iran, they are everywhere, they are all over the world, and they are causing terror. And they have shifted, as the ranking member has said, they have shifted their focus from maybe the Middle East and Syria to Africa. About 9/11, pre-9/11, there were apparently about 100 al-Qaeda members in Africa, and now there are about 10,000 affiliates and al-Qaeda members in Africa.

That is very disturbing. It is like moving from different place to different place. And Iran is behind all of this. And we need to make sure that Iran is held accountable and the other organizations are held accountable as well.

Do you have enough money?

Ambassador SALES. Well, Congressman, what I want is every dollar that I need to accomplish the mission that the President and the Congress have given me and not \$1 more.

Mr. POE. Very diplomatic of you.

I am going to turn over to the ranking member and let him ask questions.

Mr. KEATING. Thank you, Mr. Chairman. And I agree with both my colleagues here on Iran as a grave concern. But I want to move around some other areas.

You know, what I am hearing in my district from people in terms of a question, and a concern, and maybe a fear, is this. I want to ask you straight out. Is there any reliable evidence that individuals traveling in the caravan from Central America up are known or suspected terrorists? Concrete evidence?

Ambassador SALES. Mr. Ranking Member, any country has the right and indeed the responsibility to protect its borders and to make sure that only those persons are admitted who the government of that country—

Mr. KEATING. That is not what I asked you, sir. I asked you straight out. We should know as Members of Congress. Tell us if there are any suspected or actual terrorists traveling in that caravan.

Ambassador SALES. Congressman, we would be happy to get you an answer to that question in an appropriate setting.

Mr. KEATING. Well, you could answer this publicly. Since the President has been public you should be able to be public. Yes or no? We don't have to know the details. He is causing fear in the American public, I could tell you, even in my district, about this.

Now, a yes or a no is not classified, because he said so. So I want to know, in your position, what you say, yes or no. You can give us in classified additional specific information, should there be any, but yes or no.

Ambassador SALES. Congressman, I would be happy to answer that question as well in a classified setting.

Mr. KEATING. Well, I am not happy with that answer, since the Commander in Chief seems comfortable telling the American public that and you don't. I can't force you to do it, but I think that is why you are here, and that is why we are here as Members of Congress as well.

Let me shift gears, disappointingly. I want to know what activity you have on the counterterrorism front in efforts in Afghanistan and Yemen, as I mentioned. And also include in that, directly or indirectly, through armed sales or other means, how Russia could be involved in this and what evidence you have in that respect.

Ambassador SALES. Let, me start with Afghanistan, sir. So in Afghanistan my Bureau, along with others at the State Department, is funding a \$54 million program to boost the capability of Afghan forces to defend urban areas. In recent months we have seen the Taliban and Haqqani Network mount an aggressive series of attacks in urban areas, particularly in Kabul.

So what we have been doing is providing training and resources and equipment to local officials to help them interdict operatives before they come into protected areas, to respond to crises in the heat of the moment, to do effective screening of potential threats, and to respond after a terrorist incident takes place.

In Yemen, al-Qaeda in the Arabian Peninsula has long been one of al-Qaeda's most deadly affiliates with a global reach and with global ambitions. Of course, you will recall the printer cartridge plot from several years ago that was run out of Yemen. We continue to be actively engaged using whole-of-government ap-

proaches, not just kinetic, but also nonkinetic civilian sector tools as well.

In Yemen, we are doing things like boosting border security capabilities so that we can control movements of potential terrorists across borders, law enforcement and investigative capability, crisis response capability, and so on.

Mr. KEATING. You didn't answer my question about Russia.

Ambassador SALES. Oh, yes. What was the question about Russia?

Mr. KEATING. Russia's involvement directly or indirectly through arm sales or other activities on terrorist activity in Afghanistan, for instance.

Ambassador SALES. In Afghanistan. Yeah. In Afghanistan and Yemen, yes. So Russia obviously has had a long historical interest in Afghanistan, not all of that interest benign.

I think the best way to answer that question would be—and this may not be a pleasing answer to you either—but I would be happy to answer in more detail in a classified setting.

Mr. KEATING. All right. Thank you for that.

Now, in terms of your activity, how are you progressing with on-line activities, online terrorist activities?

Ambassador SALES. Yeah, well, ISIS and its use of social media has been a game-changer in terms of their ability to inspire attacks remotely, as well as to recruit and radicalize people to come to the war zone.

So what we need is for social media companies to do the responsible thing and take down radicalizing and extremist content that violates U.S. law or that violates the terms of service that they offer to their users.

We have seen some decent results, but I think there is still more work to be done. Last year, a group of Silicon Valley companies formed a new organization, GIFCT, the Global Internet Forum to Counter Terrorism. The basic idea is for incumbent and prosperous companies to provide best practices to new entrants who may not have the resources, who may not have the expertise, and help them spot content and take it down in a responsible way.

Mr. KEATING. Okay. I am a little over, but I would like just to get back to the budget issue as well. You know, the chairman has mentioned the disproportionate nature with what Iran is spending and what we are spending, and we have just touched some of the many areas around the globe where there are concerns on the part of our country.

How do you make any kind of sense to a budget cut in this important area? I mean, why is the budget being cut in an area where—two things, where the dangers are great and where our actions, particularly on the state-side, could save us money in the long run and save lives?

Ambassador SALES. Well, Congressman, I think I would offer two answers to that question.

First of all, taking the historical view, our fiscal year 2019 budget request is broadly in alignment with historical appropriations levels. I am looking at my chart here. In 2013, we were appropriated \$251 million. In 2014, it was 222. In 2015, it was 235. We saw a spike in 2016 and 2017, as we saw one-time or rather two-

time appropriations. The 237 number that we have requested for fiscal year 2019 thus represents a return to the pre-2016 norm.

That said, of course Congress has the power of the purse, and whatever money Congress appropriates we will expend toward the mission that the Congress and the President have given my Bureau.

The second thing I would say about funding to counter Iran in particular is, although our budget request is for \$237 million, which is a fraction of the \$1 billion that Iran spends on terrorist proxies, we are not the only bureau, we are not the only agency charged with countering Iran-backed terrorism around the world. Other State Department bureaus, the intelligence community, the Defense Department, the Justice Department, the Treasury Department, are all team players as part of this effort.

Mr. KEATING. My time is overdue, so I yield back, Mr. Chairman. Mr. POE. I thank the gentleman.

The chair recognizes the gentleman from Illinois, Mr. Schneider.

Mr. SCHNEIDER. Thank you, Mr. Chairman.

Ambassador, the Counterterrorism Bureau's Countering Violent Extremism office shares and overlaps in many ways responsibilities with the Global Engagement Center.

This summer, Congress, as part of the National Defense Authorization Act, passed a provision that I helped author to clarify the rules and the responsibilities of the GEC. How has that clarification changed the way that the CVE office and the GEC cooperate and work alongside one another?

Ambassador SALES. Well, thanks for the question, Congressman. My Bureau's involvement in CVE issues, we are one cook in the kitchen with several other Michelin-starred chefs. So it is important for us to all coordinate together and for each player to bring to bear their unique comparative advantage. Like, what do we bring to this conversation that is special to us? And I think the value add that my Bureau brings to this effort is a focus on a couple of different priority areas.

First of all, countering ideology. Our terrorist adversaries have a particular world view that is informed by various philosophical, religious, economic circumstances. What can we do, my Bureau asks, to counter the ideological architecture that eventually leads to radicalization and recruitment in terrorist attacks?

Another thing that we are doing in my Bureau is working on deradicalization. After somebody has gone down the pathway toward terrorism, what can we do after they have been prosecuted, after they have served their time to bring them back into the fold. And in part this is a matter for government authorities, but it is also a problem to which we have to bring to bear all of society's expertise, medical professionals——

Mr. SCHNEIDER. I don't mean to——

Ambassador SALES. I don't want to filibuster.

Mr. SCHNEIDER. I have limited time. So thank you. I appreciate that.

Shifting gears a bit here. Compared to a year ago, what is your sense, can you describe Iran's comparative strategic position in Iraq, Syria, Lebanon, Yemen? Are they stronger? Are they weaker? What is different today than a year ago?

Ambassador SALES. Well, I think what is different today is that the U.S. Government has brought to bear more of the tools at our disposal to cut off the money that Iran uses to fund terrorism around the world. As you know, we announced the snapback of sanctions just last week, and our goal is to get Iranian oil exports down to zero. That is a significant economic windfall for the regime. I believe 80 percent of their revenues derive from their energy exports.

As we squeeze them, they are going to have to make some really hard choices about how they divert their increasingly scarce resources to address domestic needs or to project power and bloodshed around the world.

Mr. SCHNEIDER. What, if any, actions have you seen that would give you confidence that they are drawing back and cutting resources for Hezbollah, their proxies in Syria, and other places?

Ambassador SALES. Well, I think the jury is still out on that because we are very early into our maximum pressure campaign. What we want to see is with a drawdown in forces in Syria, a drawdown in support to the Houthis, who are launching missiles into Saudi Arabia and UAVs into the United Arab Emirates, a drying up of the financial resources that Hezbollah seeds from all around the world.

There is a robust fundraising network for them in South America and Africa and around the world. So we are attacking all of those different nodes of the Iran threat network to dry up the resources.

Mr. SCHNEIDER. But the snapback of sanctions last week was long anticipated. Have you seen actions within Iran signaling to their proxies they are going to have to make due with less? Or has there been a continued investment in those organizations, like Hezbollah, to continue their nefarious activities?

Ambassador SALES. Well, what we have seen publicly is a rush for the exits in the private sector. Businesses—

Mr. SCHNEIDER. That is not what I am asking. I am asking, has the leadership in Iran done anything that would indicate that they are going to cut their investment in these activities, the \$1 billion you talked about? Is there anything signaling that they are going to reduce that \$1 billion or is it still going to be running at the current rate?

Ambassador SALES. What I can tell you in an open and unclassified setting is that we are seeing businesses respond to the pressure that we are bringing to bear. Companies are being forced to choose, “Do I want to do business in the United States or in Tehran?” and they are voting with their feet.

Mr. SCHNEIDER. Right. I see that.

Last question, and this is more general. Across the globe, looking forward, do you see the terrorist threats we face as a Nation that challenge our allies around the globe increasing or decreasing in the years to come?

Ambassador SALES. I think they are decreasing in certain respects and changing in other respects. The decrease, let’s use ISIS as an example. We have liberated virtually all the territory they once held in their false caliphate of Syria and Iraq. And let me just say that at least 50 percent of those territorial gains have come since January 2017. We are in better shape on the battlefield.

Where we still have work to do is with ISIS-inspired attacks around the world, people who have never traveled to the battlefield but who have been radicalized by videos they saw on the internet. All it takes is a rental truck and they can commit a terrorist act.

Mr. SCHNEIDER. To that point, ISIS has lost its territory, it hasn't lost its intent. And without territory, there are things that it cannot do, but with the internet, with other resources, they are able to reach and threaten not just America and Americans around the world, but our allies.

Should we be reducing our investment to counter them or is this something we need to be looking toward increasing our investment, looking for leverage with allies, and making sure that we bring to bear, as you have said, the full government, all-of-government approach to address the threat, not just of ISIS, but of a number of these groups that seem to be growing in their ability to wreak havoc around the world?

Ambassador SALES. Well, I think that is exactly right, Congressman, that is where the whole-of-government approach comes in, because as the military phase of the campaign draws down it is important for us to bring to bear other tools.

So law enforcement, prosecuting ISIS fighters after they return home, making sure they face justice for their crimes; border security tools so that we can track them as they attempt to move internationally; designations and sanctions tools to cut off the flow of money to the various ISIS affiliates that have metastasized around the world; and various other civilian sector tools.

Mr. SCHNEIDER. I may have heard you wrong, and I am way over, so I will close on this. But you indicated that we plussed up in 2015-2016 because of ISIS. Now we are going back down to levels of spending pre-ISIS. And it seems to me that we may be counting our chickens a little bit too early. We need to be thinking of different ways to counter this threat, but not resting on our heels and going back to the way things were, but looking forward to where we need to be in the future.

Ambassador SALES. Well, the only thing, Congressman, if I may, before we leave this topic, the only other thing I would add to that conversation is if I felt like I didn't have the resources to do my job properly I would tell my boss, I would tell Congress. So I am satisfied with the resources we have requested, and we will expend whatever resources I am allocated.

Mr. SCHNEIDER. Well, and in the future I look forward to continuing the conversation to see what impact we are having and hopefully have measurable results.

Ambassador SALES. Likewise.

Mr. SCHNEIDER. Thank you.

Ambassador SALES. Thank you.

Mr. POE. I thank the gentleman.

I have a few more questions. Going back to this list of proxies that I asked for earlier or mentioned, can you provide the committee a list of the Iranian proxies and where they are in the world?

Ambassador SALES. Yeah, we are happy to do that, sir.

Mr. POE. Okay. We look forward to seeing that.

Also, do you think that AAH and HHN should be designated as terrorist organizations?

Ambassador SALES. Well, Congressman, I am reluctant to speak publicly about a matter that—

Mr. POE. Excuse me for interrupting, but I am going to pull a Keating on you. Can you answer yes or no whether you think they should be listed or not?

Ambassador SALES. I can't answer that, sir. But let me respectfully explain why I can't answer that question. I am not in a position to comment on internal executive branch deliberations that may or may not be taking place.

If there is an announcement, we will make it in due course. If there is not an announcement, we would do that in due course as well.

Mr. POE. Well, I think they should be listed. I think we are having some problems with our representation of the U.S. in Baghdad, though, and how they are cozy up to Iranian proxies. I am very concerned about Iran influence in Iraq and trying to control the Iraqi Government. I think that is what they are trying to do. And part of the way they are doing it is with Iranian proxies that are in Iraq.

Like I said, they have already got 15 members of their Parliament holding office, and we need to push back on their influence in Iraq.

Afghanistan. We have been in Afghanistan a long time. How long are we going to stay in Afghanistan?

Ambassador SALES. As long as conditions warrant.

Mr. POE. Indefinitely might be a fair answer. Would you say that?

Ambassador SALES. Well, my understanding of the President's South Asia strategy is that our policy for Afghanistan is one that is conditions-based. We are not going to set an arbitrary deadline because that will just cause the terrorists to wait us out.

Rather, we want a conditions-based approach under which the Afghan Government participates in a negotiated settlement with the Taliban, with other interested parties in the region, to ensure that we have a strong unity government that can deny safe haven. From a counterterrorism standpoint, that is really a critical piece of the conversation. We cannot afford to go back to a pre-2001 environment, in Afghanistan or elsewhere, where terrorists enjoy safe haven, because when terrorists enjoy safe haven they project power outward and attack us and our friends.

Mr. POE. I am not asking you to give us a definite date, I am not even saying that. But on the horizon, it looks like to me, as General Miller indicated to the Senate in June, that we are going to be there for a long time in Afghanistan because of the situation with the terrorists that are in that country. And Afghanistan has got to work their problems out.

Are terrorists still coming from Pakistan into Afghanistan?

Ambassador SALES. Well, Pakistan certainly needs to do more.

Mr. POE. Are they still coming from Pakistan into Afghanistan, terrorists?

Ambassador SALES. We are very concerned about support for terrorism in any region of the world. And I can tell you, we have com-

municated to the Pakistani Government at the highest levels that we expect them to do more, just like we expected them to act with us after 9/11. And Pakistan has in the past been a very effective counterpart in taking the fight to al-Qaeda. We need them to do the same thing with respect to the Haqqanis, Lashkar-e-Taiba, and the other terrorist groups that are active in the region.

Mr. POE. Well, I think they are not doing their job to fight terrorism because the terrorists come in from Pakistan into Afghanistan, do their mischief, and run back across the border. I think they have been doing that for years. And they take our money, millions of dollars we give Pakistan every year. It befuddles me why we do that when they allow a safe haven for terrorists in their own country that invade another country, namely, Afghanistan.

I will yield to the gentleman from Massachusetts for further questioning.

Mr. KEATING. Thank you, Mr. Chairman. I share those concerns as well.

I am going to try this again and just to not put you in a spot where it is classified. Now, getting back to the caravan and the President's comments, he said in terms of the terrorists there could very well be—it is a quote, unquote—among the group. And he said: I think there is a very good chance you have people in there.

Now, given what you know, if there are no people in there that you have evidence of, then how could be it be classified? So let me just ask you the question. Will you say, no, there are no people in there?

Ambassador SALES. I am not trying to be coy, Congressman, but let me tell you, I used to be a law professor, and one of the subjects I taught was the Espionage Act. And I know very well the criminal penalties associated with public release, unauthorized public release of any classified information.

So I am going to have to defer that question, but I would be happy—I want to be responsive to your question. I want to get you the information you are asking for. I just want to do it in the right setting.

Mr. KEATING. Well, I welcome that information, and I hope there is information, because I don't want to waste the committee's time or my time to find out there is no information there or there is nothing that can be done. So I just want to make sure that that is the case.

Okay. I think that is it for my time, Mr. Chair, and I appreciate this. And I will look forward to that what I assume will be information.

Thank you. I yield back.

Mr. POE. Well, I want to ask another question.

Mr. KEATING. Thank you. Go ahead. You might as well.

Mr. POE. Are there Iranian proxies working with the Iraqi police?

Ambassador SALES. With the Iraqi who?

Mr. POE. The Iraqi police.

Ambassador SALES. Oh, police, with the Iraqi police.

Mr. POE. The Iraqi police, the Iranian proxies, are they working—some of them have infiltrated the Iraqi police?

Ambassador SALES. I would be happy to discuss that in a closed session.



Mr. POE. In a closed session. We are going to have a long closed session. We will take you up on that.

Ambassador SALES. You know where to find me. I am always happy to appear before this subcommittee.

Mr. POE. Well, we appreciate that and we look forward to talking to you again in a classified setting.

But last thing. I do want to reiterate, we would like the list of those Iranian proxies and where they are. And I will echo what the ranking member said about the money. The Iranians are spending at least \$1 billion on causing terror in the world. I think they are spending more than that, but they admit to \$1 billion. And we are spending a quarter of that trying to fight their actions.

I think we are in for a long duration of Iranian terrorist activities throughout the world. After all, they are the number one state sponsor of terror in the world.

Did you want to say something else?

Mr. KEATING. One more question. Thank you, Ambassador.

Can you describe how the Bureau of Counterterrorism is addressing the woman's role in preventing counterterrorism activities? Specifically, how are you promoting the meaningful participation of women as full partners? For example, are you working to increase the number of women receiving training under the Anti-Terrorism Assistance Program?

This is something that the full committee's chair, Mr. Royce, and I have been working on, as well as Representative Frankel from Florida on this issue, and they are not here. If you could comment on that, that would be appreciated.

Ambassador SALES. I would be happy to, Congressman. Before I answer that question, let me briefly react to Chairman Poe's question about the \$1 billion versus the \$237 million. It is true, Iran is the world's leading state sponsor of terrorism. It is a title that they are probably very proud of and it is not one they are looking to relinquish any time soon.

We are spending \$237 million. We have requested \$237 million for the CT Bureau. But the entirety of the U.S. Government's efforts to counter Iran-backed terrorism is much more extensive than just the \$237 million we have requested for my Bureau. So I would like to contextualize our request in the context of the broader USG effort against Iran-backed terrorism.

As for the question of women, this is a very important issue, Congressman, and I am grateful to you and your colleagues for raising it. It is one we need to focus on very carefully. Women are both potential victims of terrorism in unique ways, and women are also potential perpetrators of terrorism in unique ways, and they are also potential detectors of terrorism in unique ways. Let me address that last piece first.

One of the things that my Bureau has done has been to work with civil society organizations around the world to help families do a better job of detecting the warning signs of radicalism. It often will be the case that parents—it often will be the case that mothers are in a position to know when their children are taking a turn toward extremism. So we need to empower those communities, we need to empower those families to intervene immediately to prevent somebody from taking the next step down the road.

It is also the case that women can be victims of terrorism. We are all aware of the horrific crimes that ISIS committed against woman in Iraq and Syria. So it is important for our counterterrorism response to ISIS or to other terrorist groups that commit similar atrocities, be mindful of what those atrocities are so that we can prevent them the next time, so that we can empower communities to prevent those—empower governments to prevent those sorts of crimes.

Mr. POE. The chair is going to recognize the gentlelady from Nevada, Ms. Titus.

Ms. TITUS. Thank you, Mr. Chairman. And thank you and the ranking member for having this committee hearing, and, Ambassador, you for being here.

I just want to ask about the refugee crisis. We are in the midst of the world's worst refugee crisis, and yet the administration just recently announced that they were going to lower the already record low number that we were accepting from 45,000 to 30,000.

In the meantime, you have got the Syrian refugees, the Yemenis, Rohingya, some are coming across our southern border, coming to our southern border. The President wants to choke off admission, limit asylum, and also cut foreign assistance.

I am wondering how you feel about the refugee situation, and as it worsens, doesn't that increase threats of terrorism? And do you think these issues are getting enough attention or enough resources so that you can do your job?

Ambassador SALES. Well, we are certainly worried about the various refugee flows and their relation to terrorism threats. This is not a mere hypothetical. This is a problem that we have seen materialize in real world terms.

The Syrian crisis has precipitated an enormous outflow of migrants from Iraq and Syria, through Turkey, through the Balkans and other parts of Europe, into the heart of Western Europe. And it is regrettable to say, but true to say, that ISIS was able to exploit those migrant flows to bring operatives into the heart of Europe. Just yesterday was actually the 3-year anniversary of the Bataclan attack in Paris.

So I think it is incumbent upon us to do a couple of things to address this problem. First of all, we need to get control of borders. We need to know if terrorist financiers, terrorist operatives, are trying to infiltrate our homeland, whether it is here in the United States or Europe. And we also need, in the case of Syria in particular, a negotiated political settlement that alleviates the humanitarian crisis that is causing so many of these people to flee in the hope of a better life or for terrorists to exploit that hope to accompany them.

Ms. TITUS. Don't you think that it is moving in the opposite direction to cut off aid to the countries that are producing these refugees at a time like we have seen, threaten to cut off aid to Central American countries? Don't we need to address the problem before it gets to our border?

Ambassador SALES. Well, certainly the best form of protection is prevention. And when it comes to terrorism, the refugee problems that my Bureau is focused on most intently involves Syria, which you have already discussed. Also, the problem in Southeast Asia,

problem is putting it mildly, with the atrocities being committed against the Rohingya. We are watching that very carefully as well to ensure that terrorists are never able to exploit those tragedies and those atrocities to radicalize and recruit.

Ms. TITUS. Are you looking at terrorism in terms of some of the rise of groups that are on the far right, like the neo-Nazis or the nationalists? What about those kinds of terrorism groups, are you seeing an increase, not only in this country, but it is certainly in Europe?

Ambassador SALES. Right. Well, we are certainly, the administration is certainly watching that threat, and it is one that is a very troubling threat. The recent attack in Pittsburgh is a particularly heartrending example of this domestic threat.

When it comes to the domestic aspects of this threat, this is an issue that my Bureau doesn't really focus on, as our jurisdiction is to look overseas. But I can assure you that colleagues at Homeland Security and Justice and the FBI are focused very intently on that problem, along with State and local officials.

Ms. TITUS. But it is increasing in Europe, too, and that is part of your domain. I wonder, when you are talking to people about addressing this issue, does it ever come up about some of the President or the administration's rhetoric as encouraging this kind of behavior?

Ambassador SALES. Well, I can tell you that the administration's position on this is clear, it is in our National CT Strategy. And this National Counterterrorism Strategy describes far right, far left, secular, and various other forms of radicalism and extremism that produce violence. And we condemn it and lay out a strategy to confront it.

Ms. TITUS. I guess the National Strategy for Counterterrorism that was released last month, though, mentioned Islamic terrorists 22 times, but the neo-Nazi groups only twice, and racially motivated extremism once. So I just wonder how much of a priority you are making those kinds of terrorists?

Ambassador SALES. Well, again, I will defer to the FBI and DOJ and DHS, but without presuming to speak for them, those references are in the National Counterterrorism Strategy for a reason, and it is because countering those far right, as well as far left groups, and groups in between of violent nature, is a priority for this administration.

Ms. TITUS. I hope so. Thank you.

Ambassador SALES. Thank you.

Mr. POE. I thank the gentlelady.

The chair recognizes the gentleman from New York.

Mr. ZELDIN. [Nonverbal response.]

Mr. POE. He yields back his time.

Ambassador Sales, thank you for being here. We are going to take you up on your willingness to talk to us in a classified setting.

And just so it is clear, the three issues that we want to talk about are terrorists, if any, in the caravan that is moving toward the United States. We want to talk about that. And we want to talk about the extent of the Russian involvement in Yemen, and also in Afghanistan. And we want to talk about the third issue, the Iranian proxies that are in the Iraqi police forces.

Those are the three issues as soon as we can do this.

Ambassador SALES. Great. We will be ready, sir.

Mr. POE. Appreciate it, Ambassador Sales.

I thank all the members for being here today.

And this subcommittee is adjourned.

[Whereupon, at 3:03 p.m., the subcommittee was adjourned.]

## A P P E N D I X

---

MATERIAL SUBMITTED FOR THE RECORD

**SUBCOMMITTEE HEARING NOTICE**  
**COMMITTEE ON FOREIGN AFFAIRS**  
U.S. HOUSE OF REPRESENTATIVES  
WASHINGTON, DC 20515-6128

**Subcommittee on Terrorism, Nonproliferation, and Trade**  
**Ted Poe (R-TX), Chairman**

November 7, 2018

**TO: MEMBERS OF THE COMMITTEE ON FOREIGN AFFAIRS**

You are respectfully requested to attend an OPEN hearing of the Committee on Foreign Affairs, to be held by the Subcommittee on Terrorism, Nonproliferation, and Trade, in Room 2172 of the Rayburn House Office Building (and available live on the Committee website at <http://www.ForeignAffairs.house.gov>):

**DATE:** Wednesday, November 14, 2018

**TIME:** 2:00 p.m.

**SUBJECT:** U.S. Department of State Counterterrorism Bureau: Ensuring Resources Match Objectives

**WITNESS:** The Honorable Nathan Alexander Sales  
Coordinator for Counterterrorism  
Bureau of Counterterrorism and Countering Violent Extremism  
U.S. Department of State

**By Direction of the Chairman**

*The Committee on Foreign Affairs seeks to make its facilities accessible to persons with disabilities. If you are in need of special accommodations, please call 202/225-5021 at least four business days in advance of the event, whenever practicable. Questions with regard to special accommodations in general (including availability of Committee materials in alternative formats and assistive listening devices) may be directed to the Committee.*



## COMMITTEE ON FOREIGN AFFAIRS

MINUTES OF SUBCOMMITTEE ON Terrorism, Non-Proliferation, and Trade HEARINGDay Wednesday Date November 14, 2018 Room 2172Starting Time 2:00 pm Ending Time 3:30pmRecesses ☐ ( to ) ( to ) ( to ) ( to ) ( to ) ( to )

## Presiding Member(s)

*Chairman Ted Poe, Ranking Member Bill Keating*

Check all of the following that apply:

Open Session ☒Executive (closed) Session ☐Televised ☒Electronically Recorded (taped) ☒Stenographic Record ☒

## TITLE OF HEARING:

*U.S. Department of State's Counterterrorism Bureau: Ensuring Resources Match Objectives*

## SUBCOMMITTEE MEMBERS PRESENT:

*Rep. Brad Schneider, Rep. Dina Titus, Rep. Lee Zeldin*

NON-SUBCOMMITTEE MEMBERS PRESENT: (Mark with an \* if they are not members of full committee.)

HEARING WITNESSES: Same as meeting notice attached? Yes ☒ No ☐

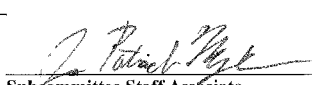
(If "no", please list below and include title, agency, department, or organization.)

## STATEMENTS FOR THE RECORD: (List any statements submitted for the record.)

*QFR - Ranking Member Engel**QFR - Chairman Poe**QFR - Rep. Frankel*

TIME SCHEDULED TO RECONVENE \_\_\_\_\_

or

TIME ADJOURNED 3:30pm  
Subcommittee Staff Associate