



Intelligence and Terrorism Information Center
at the Center for Special Studies (C.S.S)



Part I

Synopsis

Interpal is the most important Palestinian fund operating in Britain. During the last decade (and beforehand under a different name) Interpal helped transfer large sums of money collected in Britain and elsewhere to charitable societies and committees operating in the Palestinian Authority (PA) – administered territories. However, most, if not all, of those charitable societies and committees are actually Hamas-operated and therefore contribute significantly to maintaining the large-scale, local Hamas civilian (and terrorist-operational) infrastructure (*da'wah*). Consequently, Interpal was outlawed by Israel in 1997 and declared a terrorist organization in 1998. Furthermore, in the United States it was designated by Executive Order 13224 (August 2003) as an entity that “commits, or threatens to commit or supports terrorism.”

It is therefore the aim of this bulletin to show that Interpal serves as a subordinate Hamas organization operating in Britain, perhaps the most important of its kind in Europe. Its main role is not exclusively humanitarian: rather, its function to maintain the Hamas infrastructure while at the same time supporting its terrorist-operational apparatus in the PA-administered territories through local charitable societies and committees. Thus it effectively assists Hamas in its efforts to establish itself as an Islamic alternative to the rival Fatah-dominated secularly-oriented Palestinian Authority, at the same time helping it to continue its devastating and lethal terrorist activities against Israel.

Nevertheless, and contrary to the current international war on terrorism, the British authorities, which otherwise play an active role in that war, have not taken effective measures to stop Interpal's activities. Hence, in view of the new information included in this bulletin, it is hoped that the British authorities will review their attitude towards Interpal and take the necessary measures to stop their activities permanently.

General

- Hamas, the leading terrorist organization¹ participating in the ongoing violent Palestinian-Israeli confrontation, has an annual budget estimated at tens of millions of dollars, most of which comes from various Islamic funds and foundations all over the globe. Particularly important in that respect is the network of designated Hamas-affiliated organizations operating in the West, especially in Europe, which raise an estimated annual 15-20 million dollars. Some of the foundations were established by Hamas, while others gradually came under their control. In fact, they are run by Hamas activists and their main function is to support Hamas' civilian infrastructure (*da'wah*) in the PA-administered territories.

1. See [Hamas, Portrait of a Terrorist Organization](#), August 2004, on this Website.

- It should be noted that Hamas' broad **civilian infrastructure**, with its multitude of organizations, is the movement's **power base in the PA-administered territories**, differentiating it from other terrorist organizations.² Hamas has successfully used it to reinforce its popular support and focus its power, hoping that in the future it will be a radical Islamic alternative to the secular-oriented Palestinian Authority. The infrastructure sustains Hamas' various political and terrorist activities. It also maintains a **terrorism-supporting apparatus** by means of which Hamas provides aid for terrorists and their families, **including the families of suicide bombers**. In addition, it conducts educational, preaching, indoctrination and propaganda activities which prepare future generations of Palestinian terrorists.

2. The Palestinian Islamic Jihad also has a civilian infrastructure but its scope is far narrower than that of Hamas.

- Interpal, The Palestinian Relief and Development Fund, is one of Hamas' central supporting organizations in Britain, and one of the most important funnels through which money is poured into its civilian infrastructure in the PA-administered territories. It was outlawed in Israel because of its relations with Hamas, and in the United States on August 21, 2003, it was designated by Executive Order 13224 as "an entity that commits, threatens to commit or supports terrorism," [hereafter referred to as a designated Hamas-affiliated organization] The Order blocks the property of and prohibits transactions with individuals or entities with links to terrorism. [Note: See US government Internet site <http://www.ustreas.gov/offices/enforcement/ofac/sanctions/t11ter.pdf>, pages 1-2, 7.]
- Twice in the past Britain froze Interpal's activity because of suspected links to terrorism, as did other European countries, which restricted the activities of Hamas-affiliated institutions within their borders. However, the British authorities permitted Interpal to recommence its activities on the grounds that nothing it was doing could be considered illegal by British law and that no incriminating evidence had been found. Today, even after Hamas has been included in the European Union's list of terrorist organizations (as of August 2003), still **Interpal operates without interference and regularly transfers large amounts of money to the Hamas civilian infrastructure in the PA-administered territories**.
- Based on the large amount of material collected (much of which is available on this Website), in Israeli assessment Interpal is part of a large network maintained by Hamas and operating in Britain. The network includes propaganda and indoctrination services which distribute its Arabic monthly publication, Filisteen al-Muslima ("Muslim Palestine" directed by Damascus and distributed from London).³ It is worth remembering that Hamas recruited to its ranks of terrorists two Muslim British citizens of Pakistani origin who perpetrated the attack on the pub called Mike's Place in Tel Aviv on the sea-front promenade (April 30, 2003), killing three civilians and wounding 40. Indeed, some 11 months later (March 2004), Hamas publicly admitted for the first time that both were sent to perpetrate the attack on its behalf. Hence, the fact that they lived in Britain is clear evidence (echoed in the international media) of the radical Islamic climate existing there and providing a convenient milieu for the recruitment of Islamic terrorists.

3. Until late 2003. At the beginning of 2004 those details were omitted, most probably following their exposure in a bulletin posted on this Website. It is also possible that the removal of such details may be illegal according to British law.

About this bulletin

- This bulletin contests the Interpal claim that the funds transferred to the PA-administered territories are designated **exclusively** for social and humanitarian purposes. The information included herein was taken from original Arabic documents found in the PA-administered territories beginning with Operation Defensive Shield (April 2002). It reveals that Interpal's claim is **untrue**, does **not** convey the **real nature** of the financing it provides for **Hamas**, and **needs to be reconsidered**. We provide:
 - An **analysis of the Islamic radical worldview** motivating the **transfer of funds** (as "donations to charity") to support the **operational activities** of global terrorist organizations through an interlinked system of funds and foundations – conspicuous among them **Interpal** -- while showing how that worldview applies to **Hamas**.
 - A **description of Hamas' broad civilian infrastructure** (*da'wah*) in the PA-administered territories, which centers on its affiliated "charitable societies." For years it has been nourished and fattened by financial support poured in through a

complex, sophisticated system of local and international “charitable societies” and various “charitable” funds and foundations, some of which are designated Hamas-affiliated organizations. [Interpal](#) belongs to that category, and it is the largest and most important of all Hamas-affiliated organizations in Europe.

- [Case studies](#) (supported by documents) proving that [Interpal](#) (and other international “charitable” funds and foundations) does not transfer the donations they collect only to “innocent” social-humanitarian organizations, but to [institutions which for all practical purposes belong to Hamas](#). All the institutions included are headed exclusively by Hamas activists, some of them terrorist-operatives, and their function is to promote Hamas goals, including support for terrorist activities. It should be noted that the organizations identified as belonging to Hamas, as the documents indicate, were also so identified previously by the [Palestinian security apparatus](#), which closely monitored Hamas activities and institutions not only during the first years of the ongoing violent Palestinian-Israeli confrontation but also before it erupted.

- It is thus [our contention](#) that Hamas has been internationally recognized as a Palestinian terrorist organization (and in fact leads all others in terrorist attacks against Israel). [Its affiliated organizations are part of its vast terrorism-supporting apparatus, and Interpal or any other group or individual financing those institutions and helping them in any way or enabling them to operate, is in reality aiding and abetting terrorism](#). That principle applies not only to the situation in [Britain](#) but to all [other countries](#), including [Western countries](#), which permit the continuing operation of the various (mostly designated Hamas-affiliated) Islamic funds and foundations which nourish Palestinian and international terrorist activities. Dealing with them as part of [the global war on terrorism](#) is therefore a precondition for draining the swamp in which the terrorist organizations flourish – [not only Hamas](#), but also international terrorist organizations, the most important of which is [Al-Qaeda](#), with its many cells all over the world.

Appendixes

- [Appendices A-F](#) present test cases of [Interpal's transfer of funds for leading Hamas institutions⁴ in the PA-administered territories, all of which were outlawed by Israel in recent years because of their participation in the Hamas infrastructure](#): The Ramallah-Al-Bireh Charitable Society; Al-Islah Charitable Society in Ramallah and Al-Bireh and its Bethlehem branch; the Hebron Islamic Charitable Society and its branch in Bani Naim; the Jenin Charitable Society; the Qur'an and Sunnah Society in Qalqilya; and the Bethlehem Orphan Care Society.

4. The term institution refers to charitable societies, mosques, kindergartens and school, commercial companies, etc.

- [Appendices G and H - present two documents](#) found by Israeli forces during Operation Defensive Shield (April 2002) which belonged to the Palestinian security apparatus. They describe sources of Hamas funding and both show that the [Palestinian Authority considers Interpala Hamas fund](#). One, penned by [Palestinian General Security](#), is entitled “Who finances Hamas?” It is one of many documents which identify [Interpal as one of Hamas' largest contributors](#). The same document, written at the end of the 1990s, estimated Hamas' annual income at between \$60-70 million, of which [\\$12 million came from Britain](#). A document written by the [Palestinian Preventive Security](#) in Bethlehem also identified [Interpal as one of the main institutions funding Hamas](#).

Part 1

The ideology behind transferring funds donated by Muslims to finance terrorism is the Islamic basis and justification for the existence of a terrorism-supporting apparatus (cloaked as “charitable societies”) which finances the terrorist activities of Hamas, the Palestinian Islamic Jihad and other international Islamic terrorist organizations. That can be seen in the following quotation: “[The prophet Muhammad] may Allah bless him and grant him salvation, said: ‘Whoever strives⁵ for the widow and the poor is like a [Muslim] person engaged in a holy war [jihad] in the way of [i.e., for the sake of] Allah.’” The quotation comes from a letter sent by the Halhoul (a town near Hebron) Charity Committee [May 2000].⁶ 6 The quotation is considered a reliable hadith (saying of the prophet Muhammad) which can be found in the main collections, called the Hadith books.⁷

5. It should also be noted in this context that “striving” is one of the meanings of “*jihad*.” See the entry for *jihad* in the *Encyclopaedia of the Qur’an*, Volume 3. Leiden-Boston: Brill, 2003, p. 35. The entry was written by (Prof.) Ella Landau-Tasseron; the general editor of the encyclopedia is Jane Dammen McAuliffe.

6. The letter was sent on the occasion of the tenth anniversary of the American-based Holy Land Foundation (HLF), a “charitable society” outlawed by both Israel and the United States. It is included in a special booklet published by the HLF to commemorate the occasion, entitled “Ten years of achievement,” published (in English and Arabic) by the Holy Land Foundation for Relief and Development (the full name of the foundation).

7. For example, in *Sahih Muslim* (a reliable collection of *hadiths* with a commentary by al-Nawawi), Beirut, Dar al-Kutub al-Ilmiyyah, 1441/1990, Part 18, p. 112.

Charity (zakat) funds for terrorist activities

- **Zakat**⁸ (alms, charity) is one of the five basic precepts of Islam, known as the *pillars of Islam* (*Arkan al-Islam*). From its inception Islam has held that every Muslim has moral, economic and social obligations to care for the poor and hungry and to take pity on widows and orphans, and by doing so he purifies himself of sin in this life and will be granted eternal life in paradise on Judgment Day. Eventually *zakat* turned into a kind of obligatory tax paid by Muslims all over the world (usually voluntarily and sometimes according to a small percentage of the individual’s non-essential income.)

8. Another term for “alms” or “charity” is *sadaqah* (plural *sadaqat*), which is almost a synonym for *zakat*. Although *zakat* Although as noted, usually means giving a voluntary monetary contribution, in modern times it has become a compulsory payment (usually about 5% of their income) levied on Muslims living in Muslim Arab countries, such as Saudi Arabia. *Sadaqah*, on the other hand, is a donation either of money or something which cost money, such as food, clothing, school supplies, etc.

- In the Arab and Muslim world, as well as in Western countries, there are many **charitable societies** which raise funds from Muslims and give them to the needy, based on the *zakat*. In **most** cases the money finds its way to the **original destination**, that is, **it goes to support the genuinely indigent**. However, during the past two and a half decades, following the radical Islamic revolution in Iran and the outbreak of the war in Afghanistan (both in 1979), and the general ascendance of militant Islam (both Shiite and Sunni) resulting in the appearance of international terrorist organizations whose radical Islamic ideologies are derived from it, some of the charitable Islamic funds and foundations began finding **additional uses for the *zakat* funds**. Chief among them was the transfer of contributions to Islamic (including Palestinian) terrorist organizations and the dissemination of radical Islam around the world, both of which serve as catalysts for the perpetration of acts of terrorism.⁹

9. In certain instances it is done with the collaboration of régimes which directly or indirectly support the terrorist organizations and which help them to disseminate radical Islamic ideas, such as Iran and Saudi Arabia. In other cases, the “charitable societies” are able to operate in Western countries which are trying to cope with international terrorism and which have to cope with the results as well. That is made possible by the lack of effective monitoring of the funds and foundations and because the countries involved avoid – sometimes because of internal (mainly political and legal) considerations – closing the funds and foundations which support terrorism.

- The late Ayatollah Khomeini (the leader of the 1979 Islamic revolution in Iran and the Republic created thereafter, died in 1989) provided a **binding religious Islamic edict legitimizing using *zakat* funds to finance the armed Palestinian insurgency against Israel**. A book published (in Arabic) by the Syrian Ministry of Information (2000) deals with Khomeini’s view of the Palestinian problem based on his speeches and on his religious Islamic edicts (*fatwas*). The book, called *Palestine in the*

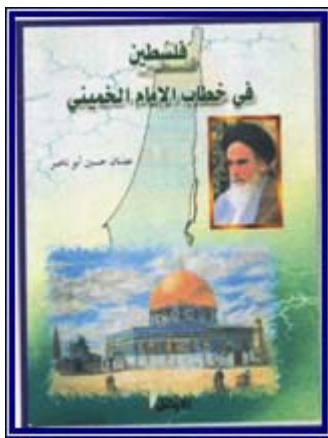
Speeches of the Ayatollah Khomeini, quotes him as saying that the State of Israel constitutes a continuing threat to Islam and the Islamic countries. Therefore, according to Khomeini, it is the duty of all Muslims in general and the Muslim régimes in particular “to get rid of that germ of corruption [i.e., Israel] in any way possible.” To that end “it is not enough to extend practical support to them [the Palestinians] [to achieve] the goal but [it is also possible] to direct resources to that end from the *zakat* and other Islamic charity monies.”¹⁰

10. Adnan Hussein Abu Nasser, *Palestine in the Speeches of the Ayatollah Khomeini* [Arabic], The Syrian Ministry of Information, 2000, p. 120.

- The book explains that it is a legally binding Islamic religious edict (*fatwa*)¹¹ in which Khomeini expressed his support for the armed Palestinian insurgency “to save Palestinians from the claws of Zionism.” Consequently, Khomeini’s ideas were applied in Lebanon by Hezbollah, which established a terrorism-supporting apparatus and is generously financed by Iranian “charitable societies,” and by the support given to the Palestinian terrorist organizations by Iran’s radical Islamic régime.¹²

11. *Ibid.*

12. For further information about Iran and Hezbollah, please see the bulletins available on our Internet site: www.intelligence.org.il.



The cover of *Palestine in the speeches of the Ayatollah Khomeini*. According to a *fatwa* issued by Khomeini and quoted in the book, charity funds may be transferred to the Palestinian insurgency to destroy Israel, presented as an enemy of Islam.

- Khomeini’s *fatwa*, which represents a specific Shiite Islamic point of view, was adopted by the Saudi Arabian Sunni-Muslim régime, which diverted charity funds to spread the modern Wahhabi version of Sunni Islam, some of which found their way to financing international Muslim holy warriors (*mujahideen*). The Saudi “charitable societies” also supported the Taliban, Al-Qaeda, Chechen terrorism in Russia and the Muslim fighters in the Balkans.¹³ They also served as conduits for channeling funds to the Palestinian terrorist organizations, chiefly Hamas,¹⁴ sometimes with collaboration between the Saudi funds and foundations and designated Hamas-affiliated organizations (such as that between the Saudi Arabian World Assembly of Muslim Youth (WAMY) and Interpal. See *Appendices*.)

13. For details see *Hatred’s Kingdom: How Saudi Arabia Supports the New Global Terrorism* by Dore Gold (Regency Publishing, Washington DC, 2004, pp. 127-147.

14. *Ibid.*

A financial *jihad* [holy war] (*al-jihad bil-mal*)¹⁵

15. For much of the following information we are indebted to Lieut-Col. (retired) Yoni D. Halevi of the Jewish Council for Public Affairs (JCPA), which is headed by Dr. Dore Gold. A more comprehensive article will shortly be published separately by Lieut.-Col. Halevi.

- The concept of *jihad* means, in this context, a *battle in the way* [i.e., *for the sake*] of Allah waged by the Muslim faithful against the infidels. Muslims who die as a result of the *jihad* (the list currently topped by Palestinian suicide bombers) reflect the highest level of piety and devotion according to the beliefs of Islam and therefore receive the appropriate rewards in paradise. However, literally speaking, the term *jihad* has implications broader than simple military battles, according to the decisions of qualified Muslim clerics from the dawn of Islam to the present day.

● Accordingly, the meaning of the term *jihad* has been expanded to include the following:

- *Jihad by means of the Qur'an*, (*al-jihad bil-Qur'an*) that is through debate and preaching (*da'wah*) the Islamic religion.
- *Jihad of the soul* (*al-jihad bil-nafs*), that is, every Muslim's internal moral struggle to abandon evil and to adhere to the goodness commanded by Allah. The *jihad* of the soul includes the good Muslim deeds required of the faithful, such as study, preaching and the willingness to sacrifice one's life for the sake of Allah.
- *Financial Jihad* (*al-jihad bil-mal*), that is, contributing to needy Muslims and to *jihad* warriors. That was expressed by the famous Saudi cleric Salman bin Fahd al-'Oadah [al-Awdah] in an essay entitled *Al-Irhab: Al-Mafhum wal-Mu'alajah* "The meaning of terrorism and how to cope with it."¹⁶ "A financial *jihad*," he wrote, "means spending money for the fighters for the sake of various worthy causes, among them for the fighters in the way [i.e., for the sake] of Allah, as is noted a number of times in the Qur'an."

16. **Salman bin Fahd al-'Oadah** is a Saudi cleric born in 1956 in the Buraydah area of Saudi Arabia (a district well-known for its opposition to the Saudi régime). He conducts research, lectures and preaches. Saudi security forces arrested him in 1994 because of his radical opinions, which he initially expressed as a founding member of the Committee for the Defense of Legitimate Rights (CDLR). It was short-lived locally but moved to Britain, and was the main Saudi opposition group created following the first Gulf War (1991). Among its founding members was another Saudi cleric named **Safar al-Hawali**, who was also arrested in 1994 and released along with al-'Oadah in 1999. It should be noted that another founding member, a fact perhaps less known, was Osama bin Laden, who managed to flee Saudi Arabia to Sudan (1994) before he stripped of his Saudi Arabian citizenship. Since his release in 1999 Al-'Oadah has concentrated on matters supported by the Saudi régime. He justifies *jihad* against the infidels in the Muslim countries as part of the Muslims' right to self defense (including the Americans in Iraq), and considers the *da'wah* as a very important factor in proliferating Islam worldwide. The article in question appeared on his Website, www.islamtoday.net (Arabic, with an English version at www.islamtoday.net/english/) On the other hand, it is reported that he managed to stop his own son from joining the *jihad* in Iraq with the help of the Saudi authorities. (For more details, see Michael Scott Doran, "The Iraq Effect?" The Wall Street Journal [included in the Jerusalem Post], December 8, 2004.)

- Among the categories of *jihad*, that of a financial *jihad* (that is, an economic-oriented *jihad*) takes center stage. According to the official religious Islamic explanation, its importance is based on a verse in the Qur'an which states: "Fight [your enemies the infidels], with your possessions and your souls in the way [i.e., for the sake] of Allah."¹⁷ Referring to *possessions* (that is, financial support for active fighting) first within a *jihad* context shows, as far as Muslim clerics are concerned, the priority of the elements of *jihad* in the eyes of Allah.¹⁸

17. Surah 9 (Al-Tawbah) Verse 41. In the same Surah see also Verses 20, 44 and 81; in Surah 4 (Al-Nisaa') Verse 95; Surah 8 (Al-Ansal) Verse 72. Another well-known verse from Surah 4 supporting this *jihad* in particular and *jihad* in general, including suicide bombing attacks, is Verse 111: "Allah hath purchased of the believers their souls and their goods."

18. For more information concerning the Islamic doctrine of warfare or holy war (*jihad*) in the Qur'an, see the entry for *jihad* in the Encyclopaedia of the Qur'an, *idem*.

- Examples of the importance of a financial *jihad* can be found in a lecture given by the well-known radical Muslim cleric sheikh **Yussuf al-Qardawi** in the UAE, in which he said that the money collected for the *mujahideen* [*jihad* warriors] was not a contribution or present for them but a *duty* in view of the sacrifices they were making for the Muslim nation.¹⁹ **Hussein Shihatah** a cleric who belongs to the faculty of Al-Azhar University in Cairo, issued a *fatwa* stating that Muslims were committed to an "economic *jihad*," which meant designating funds to be used for *jihad* and the *mujahideen*.²⁰ Other examples appeared in a document issued by the Chechen *mujahideen* entitled "Seventy ways to support the Chechen *jihad*," and in another posted on Al-Qaeda's Internet site called "Thirty-nine ways to fund the *jihad*." Both stressed the importance of donating money and equipment to the *mujahideen*.

19. **Al-Khaleej** (UAE), May 5, 2002. Al-Qardawi has made similar statements in the same spirit.

20. From www.islam-online.net, October 8, 2004, quoting opinions from May 1, 2002.

- The emphasis put on a financial *jihad* expresses current Islamic terrorism's recognition of the fact that a *jihad* can only attain its goals if it constructs a broad apparatus and support system which assure it the constant funding it needs for its military activity and an intricate social system to provide the Palestinian fighters and their families with financial security (of which they

must be well aware). Thus it can create a solid social foundation which will inculcate its ideology into the consciousness of the fighters. Hamas partakes of the same ideology, and led by the late sheikh Ahmad Yassin, it was one of the first Palestinian Islamic terrorist organizations to establish a [broad-based social-economic system which supported terrorism](#).

- For obvious reasons, for Western ears Hamas ordinarily emphasizes the humanitarian rather than the terrorist-military uses for the monies collected on its behalf. An exception was the fundraising drive held by Hamas in the Gaza Strip (April 9, 2004). During the drive, in which masked terrorists from the Izzedine al-Qassam Battalions (the Hamas terrorist-operative wing) participated, the [military](#) aspect was stressed and the contributions were presented as supporting the “active resistance” (i.e., terrorism) and the *jihad* on Palestinian lands “for the liberation of Al-Aqsa mosque, Haifa, Acre and Jaffa [sic].”²¹

21. On the Hamas Internet site, April 9, 2004; see also Agence France Presse, April 9, 2004; Radio Al-Aqsa, April 9, 2004; Israeli Television Channel 2, April 10, 2004.

Part 2

An overview of the “charitable societies” and other institutions of Hamas’ civilian infrastructure in the PA-administered territories

- In the PA-administered territories Hamas operates a [large-scale infrastructure of civilian institutions \(da’wah\)](#)²² centered around the “charitable societies,” which fulfill two basic functions:

22. *Da’wah*, literally “preaching, reading, propaganda; in reality religious-cultural indoctrination[system] which [employs various Islamic and preachers and] uses all the [available] communications media to change their culture [i.e., world view] and to turn them into [loyal Muslim believers in their own usually radical interpretation of Islam];” from Uriah Furman, *Islamiyyun* [Hebrew], Ma’arachot Publishing, Tel Aviv, 2002, p. 322.

- They provide [support for the local population](#) in education, welfare, health and religious services, at the same time exploiting the weakness and helplessness of the Palestinian Authority, which is formally responsible for providing such services. That is done [to gain popular support, to strengthen the population’s steadfastness in the ongoing violent Palestinian-Israeli confrontation](#) (with an emphasis on the Islamic target population from whose ranks Hamas supporters come) and to establish Hamas as a power center which in the future may provide an radical Islamic alternative to the secular-oriented Palestinian Authority.
- They provide a terrorist support apparatus by :
 - [Providing aid to Hamas terrorist-operatives and to their families](#) (those of *shaheeds* – particularly suicide bombers – the imprisoned, wanted and wounded), both direct aid in the form of outright payments and indirect aid in the form of health, welfare, educational and religious services.
 - [Dealing with education, preaching and indoctrination to terrorism and hatred of Israel](#), and the dissemination of radical Islamic ideas. That is easily done, since by maintaining its own independent educational system, Hamas infiltrates its own teachers into Palestinian Authority educational institutions. It also acquires influence over [mosques](#) in the PA-administered territories, and distributes its publications and uses a variety of methods to inculcate its messages into Palestinian society. The end goal is a future force of Hamas activists who will have absorbed the values of both academic excellence and religious Islamic devotion along with the willingness to sacrifice their lives for the sake of Allah by means of violent actions against Israel, including suicide bombing attacks.²³

23. Hamas’ educational activity, which is authorized and permitted by the Palestinian Authority, has contributed to the raising of a generation of Palestinians whose only knowledge of Islam is a militant variety which preaches armed struggle and violent conflict with Israel’s destruction as the end goal.

- [Supporting every aspect of Hamas’ daily activities in the PA-administered territories](#) : financing political activity, operating a network for communications, information, propaganda and indoctrination inside the PA-administered territories and beyond, channeling foreign donations (from both the Arab and Western countries), providing financial services and

sometimes, in Israeli assessment, also leaking funds to finance its terrorist-operative networks.

- **Providing support for Hamas in the PA-administered territories** (including activists linked to its terrorist-operative network) by creating jobs and employment opportunities for them (and sometimes also for their family members) in many “charitable societies” and other institutions which comprise its civilian infrastructure.²⁴ Thus **Hamas activities have legal cover**, including in their dealings with the Palestinian Authority, to which the Hamas civilian institutions – such as “charitable societies” and mosques -- are officially subordinate.

24. See the **Appendices** for examples of Hamas terrorist-operatives who head “charitable societies” or hold key posts.

The nature of the education provided by Hamas kindergartens (and other formal and informal educational institutions controlled or influenced by Hamas, from elementary schools to universities)



A child dressed up as Hezbollah leader Hassan Nasrallah, giving a speech.



Burning the Israeli flag, with weapons-carrying children in the background. **Internet pictures from the graduation ceremony of Islamic Society kindergarten children in Gaza in 2001.** The Islamic Society belongs to Hamas and officially deals with “cultural-educational” activities, one of which is operating a wide network of kindergartens. For the past ten years the Society (outlawed by Israel in 2002) has been headed by **Dr. Ahmad Bahr**, a senior Gaza-based Hamas activist.

- The Palestinian Authority is well aware that some of the institutions of this infrastructure (mosques, universities, and student organizations) are used by “Hamas” (and other terror organizations) as a place to recruit operational activists, including **suicidal terrorists**. From that reason, the “Authority” maintained, until the violent conflict’s onset and during this conflict, a consecutive, clinging, and documented intelligence follow-up of the activities of a big portion of these institutions, although this effort was not materialized in most cases to an activity against them.
- Before and during the ongoing violent confrontation the PA has contented itself with three main – although short-lived – attempts to deal with the Hamas infrastructure: the first in 1996, the second from December 2001 to April 2002, and the third which began in August 2003. Between those flurries of activity the PA put Hamas on the back burner, and **because of its fear of a showdown**, it has studiously avoided taking any genuinely effective, lasting measures against Hamas’ large-scale infrastructure.
- **Enormous financial resources are necessary to underwrite the Hamas civilian infrastructure, and it recruits the money through Islamic charitable funds and foundations abroad, among which are the designated Hamas-affiliated organizations operating in Europe in particular, such as Interpal, and in North America .** Those organizations, which transfer funds to be used **exclusively** for social, educational, religious and humanitarian purposes, in reality support the expansion of the Hamas civilian and **terrorist-operational** infrastructures. Thus they contribute to the strengthening of the radical Islamic movement which leads in anti-Israel terrorist acts and which is preparing itself as an alternative to the Palestinian Authority. Because of the close continuing relations Interpal maintains with Hamas “charitable societies” headed by senior Hamas activists in the PA-administered territories, in Israeli assessment Interpal must be fully aware of the far-reaching implications of its activity, even if it represents the transfer of funds as earmarked for exclusively social-humanitarian purposes.

Part 3

The sources of Hamas' income.

- Most of Hamas' budget, estimated at tens of millions of dollars a year, comes from various Islamic charity funds and foundations all over the globe. They operate in the service of Hamas, either directly or through intermediaries, and support the movement's civilian (*da'wah*) and terrorist-operational infrastructures in the PA-administered territories. Theoretically, the funds are earmarked exclusively for civilian purposes (education, religion, humanitarian uses). However, in reality, they are used to bolster Hamas' civilian, political and terrorist-operational infrastructures, and thus directly support the broad range of terrorist activities Hamas conducts in the PA-administered territories against Israeli targets and within Israel itself.
- There are two types of charitable funds and foundations (See Appendix C) :
 - Those which are designated Hamas-affiliated organizations, whose main purpose is to funnel money into Hamas institutions in the PA-administered territories. Such organizations are an integral part of Hamas. Most of their activists are affiliated with Hamas, some of the organizations were established with the direct involvement of the movement's leadership and most of the financial support they provide goes to Hamas affiliated charitable societies in the PA-administered territories. They raise between 15 and 20 million dollars a year, a significant sum by any reckoning. The most prominent among them are Interpal (Britain), CBSP (France), the Al-Aqsa Fund (Germany, with branches in Belgium, Denmark and Holland),²⁵ and IRFAN(Canada).

25. This bulletin does not deal with charitable organizations in the United States, the Middle East or other countries.

- Those which support, among other entities, radical Islamic elements worldwide. They do not all directly support Hamas but are ideologically close to it, and thus the aid they send to the PA-administered territories is channeled into Hamas institutions. Most of the funds and foundations in question are based in Saudi Arabia and the Gulf states.
- In the wake of the events of September 11, 2001, some of the European governments have made progress in their efforts to curtail the activities of designated Hamas-affiliated organizations operating in their countries. One significant effort was the inclusion (August 21, 2003) of five such organizations (Interpal in Britain, CBSP in France, the Association Switzerland-Palestine in Switzerland, Palestine [Fund] in Austria as well as the Sanabil ["spikes of wheat"] Association for Relief and Development in Lebanon) in the list of terrorism-linked organizations designated by American Executive Order 13224, which froze their assets (as well as the freezing of the assets of six senior Hamas members). Great pressure was exerted on Britain, France, Austria, Switzerland and Lebanon to take action against the Hamas organizations designated on the list. One month later (September 2003) the European Union announced it was including Hamas' "political wing" on its list of terrorist organizations.²⁶

26. The claim that there is a distinction between Hamas' "political" and terrorist-operational wings is intended to give the movement's leaders a kind of "diplomatic immunity." In reality the distinction is often unclear. The various violent confrontations in the PA-administered territories have shown that Hamas' "political" leaders or education-welfare activists have been involved in plotting violent policy and in supporting the movement's terrorist-operational activities, while terrorist-operatives have often dealt with political, educational and social matters. A particularly telling example of the blurred distinction of the political and terrorist-operational wings was the planning of the suicide bombing attack at the Park Hotel in Netanya (Passover eve, March 27, 2002, 29 killed), which resulted in Operation Defensive Shield, an analysis of which can be found on this Website.

- The European Union's decision prohibited collecting money for terrorist organizations for any purpose, even civilian. However, the decision did not give an explicit definition of the term *political wing*, which can be interpreted in various ways: Germany took it to mean designated Hamas-affiliated organizations masquerading as charities, while Canada, Britain and France hesitated to subscribe to that view.
- Today (December 2004) some Hamas funds and foundations in Europe are in varying stages of reducing the scope of their operations. The activities of Al-Aqsa Fund in Germany were suspended after the German courts ruled in favor of the government's position. The courts instructed the activities of the fund to cease and in fact approved its dismantling (December

3, 2004). [Al-Aqsa](#) Funds in Denmark and Holland have been prohibited from transferring money to the PA-administered territories (the Dutch fund was also included in the European Union's list of terrorist organizations). [However, in other countries various funds and foundations – such as Interpal in Britain and the CBSP in France – continue their operations uninterrupted.](#) While it is true that Interpal in Britain has had its activities frozen twice in the past, for various reasons its activities were later renewed (See below).

- As to Saudi Arabia and the Gulf states, until recently money was transferred from local charitable institutions to Hamas' civilian infrastructure with no interference from the authorities whatsoever. However, in the wake of post-September 11 American pressure, particularly during the last half of 2004, [the Saudi authorities began severely limiting “charitable” money transfers from their country to Hamas institutions in the PA-administered territories.](#)
- In Israeli assessment, all the funds and foundations whose activities have been restricted will most probably attempt to transfer funds to Hamas institutions in the PA-administered territories through channels which bypass supervision, especially via Interpal which, as noted, so far continues its operations without interruption.

Part 4

Islamic “charity funds and foundations” in Europe and the Middle East which support Hamas

Designated Hamas-affiliated organizations:

- [The funds and foundations below are designated Hamas-affiliated organizations in Europe](#) whose almost exclusive purpose is to support Hamas institutions in the PA-administered territories.
 - The current situation of [Al-Aqsa Fund](#) (a [Hamas](#) -oriented fund) is as follows: in [Germany](#) (where its main branch office was formerly located), activities have been shut down; in [Holland](#) its activities were stopped in June 2003; its activities in [Denmark](#) are limited and in [Belgium](#) it continues uninterrupted. Its main activity is supporting Hamas institutions in the PA-administered territories. It was outlawed by Israel in 1997 and declared a terrorist organization in 1998. In recent years all its branches belonged to the Union of Good once that organization was established.²⁷ Today (December 2004), according to the Union of Good's Internet site, the [German](#) branch is embroiled in a law suit and is no longer a member. The Fund was designated by American Executive Order 13224 (May 2003), since it “blocks property and prohibits transactions with persons who commit, threaten to commit or support terrorism.” The Dutch branch of the fund (which was the subject of inquiry by a special report broadcast on the local Dutch Nova TV station in 2001) was included in the European Union list of terrorist organizations (June 2003).
-
27. Extremist sheikh Yussuf al-Qardawi's Union of Good, established in 2001, is an umbrella organization for terrorism-supporting designated Hamas-affiliated organizations in the West and for radical Islamic funds and foundations worldwide.
- The [Comité de Bienfaisance et de Secours aux Palestiniens \(CBSP\)](#) , is a designated Hamas-affiliated organization which operates in [France](#). It was outlawed by Israel in 1997 and declared a terrorist organization in 1998. The Comité mainly supports Hamas institutions in the PA-administered territories and is a member of the Union of Good. It was designated by American Executive Order 13224 in August 2003.
 - [“Snabal Al-Aqsa” – Sweden](#) . It is suspected as “Hamas” designated foundation in Sweden; helping mainly to “Hamas” institutions in the “Territories” . The foundation is a member of “The Charity Coalition” , and is included in the American Presidential Decree 13224.
 - [Association de Secours Palestine \(ASP\)](#) , which operates in [Switzerland](#), is suspected of being a designated Hamas-affiliated organization. It mainly supports Hamas institutions in the PA-administered territories and is a member of the Union of Good. In August 2003 it was designated by American Executive Order 13224.
 - [Associazione Benefica Di Solidarieta con il Popolo Palestinese \(ABSPP\)](#), which operates in [Italy](#), is suspected of being a

designated Hamas-affiliated organization. It mainly supports Hamas institutions in the PA-administered territories and is a member of the Union of Good.

- The [Palestine Fund](#), which operates in [Austria](#), is suspected of being a designated Hamas-affiliated organization. It mainly supports Hamas institutions in the PA-administered territories. In August 2003 was designated by American Executive Order 13224.

Islamic support institutions

- As opposed to the designated Hamas-affiliated organizations operating in Western Europe, which exist to support Hamas institutions in the PA-administered territories, the Islamic funds and foundations which although not directly linked to [Hamas](#) are nevertheless [Islamic support institutions which send aid to Islamic bodies around the world, including radical Islamic bodies \(one of which is Hamas\). Most of the aid furnished by the Islamic funds which goes to the PA-administered territories is channeled through Hamas institutions operating therein.](#)
- The most important such funds and foundations are:
 - [The World Assembly of Muslim Youth \(WAMY\)](#), an international Muslim organization based in [Saudi Arabia](#) with active branches all over the world. Most of the financial support it provides to the PA-administered territories is transferred through the Hamas civilian infrastructure. Because of its support of Hamas [WAMY](#) was outlawed by Israel in February 2002. WAMY is a member of the Union of Good, and documents found in the PA-administered territories (See [Appendices](#)) show that it collaborates with [Interpal](#).
 - [Al- Mounasara](#) [Arabic for “aid”], a fund established in [Kuwait](#) to support the needy and indigent in the Middle East. It has several branches, such as the [Aid Committee \(Iajnat al-mounasara\) in Jordan](#). The fund supports many Hamas institutions in the PA-administered territories.
 - The [Charitable Society of Qatar \(Ja'miyyat Qatar Al-Khairiyyah\)](#), an Islamic foundation based in Qatar which supports needy and indigent Muslims worldwide. In the PA-administered territories it chiefly supports Hamas institutions through its representatives in the West Bank and the Gaza Strip. The Society is a member of the Union of Good and was accused in the past (Al-Sharq, November 1999, of aiding radical [Chechen](#) terrorist organizations.
 - The [Charitable Society of Qatar \(Jam'iyyat Qatar Al-Khayriyyah \)](#), an Islamic foundation based in Qatar which supports needy and indigent Muslims worldwide. In the PA-administered territories it chiefly supports Hamas institutions through its representatives in the West Bank and the Gaza Strip. The Society is a member of the Union of Good and was accused in the past (Al-Sharq, November 1999 November what, this is a daily paper with a Website in Arabic only) of aiding radical [Chechen](#) terrorist organizations.
 - [Human Appeal International](#)²⁸ ([Hay'at al-A'maal Al-Khayriyyah](#)) which operates in the [UAE](#) is an Islamic support institution with branch offices all over the world, including [Britain](#). It is a member of the Union of Good and also supports Hamas institutions in the PA-administered territories.

28. Human Appeal International's Website (<http://www.hai.org.ae/cgi-bin/hai.storefront>) is designed and maintained by [falconsearch.com](#).

The Union of Good (*I'tilaf al-Khayr*)

- The Union of Good was established in October 2000 a short time after the outbreak of the ongoing violent Palestinian-Israeli confrontation. Its purpose was to serve as an umbrella organization for a global Islamic fundraising drive for Palestinians in the PA-administered territories. It began as a limited operation of 101 days but in the wake of its success it institutionalized, calling itself the Union of Good²⁹ and operates to this day (December 2004).

29. The Union of Good's Website is in Arabic and French, the English site is under construction (December 2004): [The French site calls itself La coalition de bienfaisance, and can be found at <http://cbsp.free.fr/101days/organisations.htm>, i.e., under the aegis of the CBSP.](#)

- The Union of Good is composed of designated Hamas-affiliated organizations (such as Interpal in Britain, the CBSP in France, etc.) and of radical Islamic funds and foundations all over the world. Because of its close ties to Hamas it was outlawed by Israel in February 2002.
- The funds raised by the Union are **not transferred to the Palestinian Authority but directly to “charitable societies” in the PA-administered territories, the overwhelming majority of which are affiliated with Hamas.** In Israeli assessment, the Union of Good has already transferred **tens of millions of dollars**, part of which was exploited by Hamas to finance its apparatus (i.e., financial and material support given to the families of those who died and were imprisoned during the ongoing violent Palestinian-Israeli confrontation) and welfare and health projects which reinforce its status among the Palestinian population.
- The Union of Good is headed by sheikh **Yussuf Qardawi, a popular radical Sunni- Muslim cleric from Qatar**, widely known for his extreme political (mainly anti-Israeli) views and great influence on many Muslims. For example, in recent years he issued religious Muslim edicts [*fatwas*] permitting suicide bombing attacks against Israel (including by unescorted Muslim women; see the Appendices) and kidnapping Israelis. He also called for attacking the American forces in Iraq a short time before the war in Iraq started (early 2003). The operative director is **‘Essam Salih Mustafa Yussuf**, who formerly headed Interpal in Britain and who is currently its vice president (See below) It should be noted in this context that ‘Essam Yussuf described sheikh Yussuf Qardawi as sheikh al-mujahideen (the doyen of [Muslim] holy warriors) in an Arabic TV program in 2001. The other members of the board of trustees are **prominent international Islamic activists**, including senior activists working for “charitable societies” connected to Hamas.

- Interpal is one of the most **prominent and influential** funds operating under the aegis of the Union of Good. **According to documents found by Israeli security forces, Interpal serves as a pipeline for the transfer of funds from the organizations affiliated with the Union of Good to Hamas institutions in the PA-administered territories.** The Union’s English-language Website, is still under construction. The page for contributions is maintained by Interpal and publicizes bank account numbers for donations to both Interpal and the Union of Good in Britain.

Part 5

The Palestinian Relief and Development Fund – Interpal



Overview

- The Palestinian Relief and Development Fund – Interpal operates in Britain. It is **one of the main fund-raisers for Hamas’ civilian infrastructure in the PA-administered territories.** It was founded in 1981 as the **Palestine and Lebanon Relief Fund**³⁰ and became **Interpal in November 1994.** Its stated objectives are to furnish humanitarian aid to the peoples of the Middle East and Palestinians who live in the PA-administered territories, Jordan and Lebanon, although in reality **it supports Hamas’ civilian infrastructure and terrorism-supporting apparatus in the PA-administered territories.**

30. The Palestine and Lebanon Relief Fund (PLRF) was registered and had its mailing address in Manchester, England.

- Interpal’s head office is in **London.** Its prominent activists are affiliated with **Hamas** (See below). It focuses on **collecting contributions from Muslims living in Britain** and transferring the money to Hamas institutions in the PA-administered territories. Most of the money is collected **in mosques, Islamic centers, conventions, social activities and ad hoc fund-raising functions.**
- Interpal is currently the **most important Hamas-oriented fund-raising institution in Western Europe**, particularly after the German, Dutch and Danish authorities took action against Hamas’ Al-Aqsa Fund. Moreover, Interpal’s activity is not limited to Britain, but is global. Besides the money it collects in Britain, **it is the clearing house for transferring money to Hamas sent to it**

by the other funds and foundations in Western Europe, Saudi Arabia and the Gulf States with which it is in contact. It is also involved in Union of Good projects to aid the Palestinians.³¹

31. Evidence of Interpal's international activity can be found on its logo, on which the map of "Palestine" is superimposed on a globe. In addition, in its 2002 annual report it described its areas of operation as "worldwide."

- Because of its affiliation with Hamas and the financial support it furnishes Hamas institutions, Interpal was **outlawed by Israel** in May 1997 and declared a terrorist organization in January 1998. In August 2003 it was designated by American Executive Order 13224.

The connection between Interpal and Hamas

- Interpal's **true role** -- a designated Hamas-affiliated organization -- is **neither obvious nor stated**. As with other funds and foundations of the same sort, the heads of Interpal **deny** any and all connection with Hamas and again and again stress that they are a charitable society operating in accordance with British law regulating the activities of charitable organizations and that their activities are **exclusively humanitarian**. However, considering the identities of the heads of Interpal, the nature of the institutions in the PA-administered territories to which money is transferred and the nature of the other funds and foundations with which Interpal collaborates, it can easily be seen that in effect it is **operated by Hamas with the sole purpose of promoting its own goals**.
- Interpal's Website (September 24, 2004) notes that the fund operates in Palestine and in the refugee camps in Jordan and Lebanon, **but clearly prefers "Palestine," which it defines as "a special case."** That can be seen from the fact that the fund has more than 40 "local partners" in "Palestine," as opposed to only five in Jordan and Lebanon. The identities of the "local partners" **do not** appear on the Interpal Website, although documents found by Israeli security forces show that its "partners" are **all prominent Hamas institutions in the PA-administered territories**. They provide a support apparatus for the activities of Hamas' terrorist-operational wing (Examples appear in the **Appendices**).
- The chairman of Interpal is **Ibrahim Brian Hewitt**, a native-born British citizen who converted to Islam, reportedly in 1981. However, **the dominant figure, who was formerly chairman of the fund and is currently vice-chairman of the board of trustees and managing trustee, is 'Essam Salih Mustafa Yussuf**, known as Abu Yussuf, **one of the most prominent individuals in Hamas' financial system in the Western world**. In addition, since the beginning of the ongoing violent Palestinian-Israeli confrontation, 'Essam Yussuf has served as the **Union of Good's operational director**.
- The following is a list Interpal's trustees, all of whom are British citizens or residents:
 - Mr. Ibrahim Brian Hewitt (Chairman)
 - Mr. Shahan Izzat Husain (Co-Vice Chairman)
 - Mr. Essam Yussuf Mustafa (Vice Chairman and Managing Trustee)
 - Mr. Ismail Yussuf Ginwalla
 - Mr. Gassan Faour
 - Mr. M. Rafik Vindhani
 - Mr. Maufuzh Safiee
- As previously noted, **most of the funds poured into the PA-administered territories by Interpal arrive in an orderly, well-established fashion through a system of banks³² directly into the coffers of Hamas' civilian infrastructure** (See above, Part 1). **A considerable portion of the funds are in fact designated for the financing of various Hamas-initiated projects and activities in the fields of health, education and welfare**. Such projects are an important factor in gaining sympathy and support for Hamas among the local population and for establishing itself as a radical Islamic alternative to the Palestinian Authority. However, **a sizeable percentage of the money eventually winds up in the hands of Hamas activists and their terrorism-support system, as well as going to finance Hamas' political and propaganda-indoctrination activities**.

32. The most prominent of the banks involved is the Arab Bank. For further information about the Arab Bank's activities, see the bulletin at www.intelligence.org.il.

- For example, the following is the contents of Page 13 of a document issued by Interpal entitled Trustees' Report, Interpal Activities and Achievements in the Year 2002 :

TRUSTEES REPORT

Interpal beneficiaries in the humanitarian field include:

[Al-Islah charitable society](#), Ramallah & Al-Bireh – emergency humanitarian aid (food and medical supplies), Qurbani project and Ramadan campaign.

[Al-Ram Zakat committee](#), Jerusalem – Emergency Aid (food parcels & financial support)

[Al-Salah Charitable Association, Gaza](#) – Emergency Aid, sponsorship of orphans, Ramadan campaign and Qurbani project.

[Al-Dheisha Refugee Camp Zakat Committee](#), Bethlehem – Emergency Aid (financial support, sponsorship of orphans, Ramadan campaign and Qurbani project).

[Islamic Charitable Society, Hebron](#) – Emergency Aid, sponsorship of orphans, Ramadan campaign and Qurbani project.

[Jenin Zakat Committee](#) – Emergency Aid following the siege of Jenin, re-housing for the homeless, sponsorship of orphans, Ramadan campaign and Qurbani project.

[Mercy Association for Children, Gaza](#) – Sponsorship of orphans and needy children, and Ramadan project.

[Orphans and Needy Welfare Society, Jericho](#) – Emergency Aid for Needy families, sponsorship of orphans, Ramadan campaign and Qurbani Project.

[Kalkilya Society for the Disabled](#) – sponsorship of disabled children, Ramadan campaign and Qurbani project.

[Ramallah Zakat Committee](#) – Emergency aid including support for those whose homes have been destroyed, sponsorship of orphans, Ramadan campaign and Qurbani project.

[Social Charitable Society, Rafah](#) – Sponsorship of needy families, the improvement of homes, and Ramadan project.

[Tulkarem Zakat Committee](#) – Emergency Aid following the siege of Tulkarem, sponsorship of orphans, Ramadan campaign and Qurbani project.

Note: An examination of the institutions listed above reveals that **all** of them are affiliated with Hamas or work on its behalf, not only with regard to humanitarian issues but as part of its **terrorism-supporting apparatus** (some of the more prominent have been underlined and are test cases whose connections to Hamas are examined in the **Appendices** below).

- Statements made in the past by individuals connected to **Interpal** and by one of the radical Islamic leaders in Britain have seemed indirect admissions that some of the funds transferred by Interpal fall into the hands of **designated Hamas-affiliated** organizations.
- **Ibrahim Brian Hewitt** , current chairman of the Interpal Board of Trustees,³³ gave an interview to Julian Berger of the British daily newspaper Guardian (August 7, 1997), in which he was presented as an Interpal representative. He was quoted as saying that **there was a possibility that some of Interpal's funds were invested for specific purposes in the PA-administered**

territories which were predetermined by Hamas. He claimed that Hamas' network of businesses and social and religious service organizations was managed separately from its "military" wing, saying it was like the difference between the Sinn Fein and the IRA.³⁴

33. According to Interpal's Website.

34. I.e., an Irish Republican *party* as opposed to an Irish Republican *army*. The **Appendices** which follow illustrate that his statement was in fact baseless.

● **Omar Bakri Muhammad :**

- Born in Syria in 1958, he is married to a Lebanese woman. Until the middle of the 1980s he was active in the Syrian radical Islamic opposition, reportedly belonging to the Islamic Liberation Party.³⁵ His activities were prohibited by Syria and he and his family left for Saudi Arabia. When his activities in the Islamic Liberation Party were allegedly proscribed by the Saudis as well he relocated again, this time to Britain, where, apparently, in the early 1990s, he established the **British branch of the Islamic Liberation Party**, which he headed until the beginning of 1996. He left to found **Al-Muhajerun**, considered the most radical Islamic organization operating in Britain (although recently reported as having suspended its activities).

35. The Islamic Liberation Party was created in East Jerusalem in the early 1950s, then under Jordanian control. It is an illegal radical Islamic party active in the PA-administered territories some of whose activists were involved in a violent incident during which Ahmad Maher, the former Egyptian Minister of Foreign Affairs was heckled and beaten until he almost fainted while visiting the Dome of the Rock Mosque in Jerusalem, December 23, 2003. It also exists in a number of Arab, Muslim and Western countries, where it keeps a low profile.

- He has often made statements condemning the United States and the Western world, expressed his support of *jihad* and justified suicide bombing attacks. In one instance he called upon the local British Muslim community to contribute to Hamas (which attacks Israel). **Without going into details he said that there was a secret Muslim organization in Britain which operated a special monetary fund and which recruited fighters to support Hamas.** His statement met with surprise, and reactions to it were strong and quoted by most of the British media.
- **'Essam Salih Mustafa Yussuf** (Abu Yussuf) served as Interpal's director and is today vice-chairman of the board of directors and managing trustee. In the April 1996 issue of the Intelligence Newsletter published in France (and now called Intelligence Online) he stated that although Israeli accusations against Interpal (i.e., that it supported Hamas) were untrue, **it was possible that families of Hamas activists did, indirectly, receive money from the fund.**

- An examination of the financial sources of Hamas' civilian infrastructure in the PA-administered territories, relying partly on **documents found during Israel army operations in recent years**, proves unequivocally, however, that **Interpal contributes liberally to Hamas' institutions.** Theoretically, the funds are earmarked for welfare activities, but in reality the institutions are headed by senior **Hamas** activists who **use** those activities to strengthen Hamas position with the general Palestinian population. The civilian activities are **permeated with activity supporting terrorism**, from providing money for the families of *shaheeds*, the wounded, imprisoned and wanted -- **which in all likelihood contributes to raising the morale and motivation of those perpetrating terrorist attacks against Israel** -- to "education," i.e., the inculcation of hatred and the ultimate importance of "armed struggle," "active resistance" or *jihad* , i.e., terrorism (with the intention of raising a new generation of Palestinians terrorists in the service of Hamas).

Part 6

British policy toward Interpal

- Since the middle of the 1990s **Britain has gradually become the active focal point and center of radical Islamic elements** (some of which support the concept of global *jihad*), a result of their exploiting British government policy, **which allows various groups to organize and operate without interference as long as no violation of the law can be legally and definitely proved:** included are those which have declared themselves as religious or as having humanitarian objectives. Also included are radical Islamic

activists who represented themselves as persecuted in their own countries and were granted political asylum in Britain . The radical Islamic organizations in Britain focus their activities on raising funds and spreading radical Islamic propaganda which often preaches hatred and terrorism (often camouflaged as *jihad*). Interpal is one of the most prominent of such organizations.

- British policy toward Interpal has undergone several metamorphoses during the past decade. On the one hand, [the authorities show they are aware of the potential danger inherent in the activities of radical Islamic elements on British soil](#) (elements suspected of being involved in international terrorism). On the other, however, British [policy reflects reluctance – coming chiefly, in Israeli assessment, from internal politics – to take decisive action against the Muslim funds and foundations which represent themselves as “charities”](#) (while in reality they form the center of the effort to raise funds in Europe for Hamas in the PA-administered territories). That policy has not changed, even though Hamas (both its civilian infrastructure and terrorist-operative wings) has already been placed on the European Union list of terrorist organizations.
- British security began to show interest in Interpal as early as 1994. ‘Essem Yussuf, chairman of the [Palestine and Lebanon Relief Fund \(PLRF\)](#) was forced to (temporarily) cease the fund’s activities because it was not legally registered as a non-profit organization with the British Charity Commission, which regulates the activity of all charitable societies. Shortly thereafter he founded [Interpal](#) and legally registered it, moving from Manchester to London under its [new name](#).
- Following a wave of particularly deadly terrorist attacks in February and March 1996 (in Jerusalem, Ashkelon and Tel Aviv) which threatened to sabotage the political (or peace) process initiated by the Oslo Accords, the British media gave extended coverage to Hamas institutions operating in Britain. A number of reports were published dealing with Britain’s being the focal point of Hamas’ financial setup, with an [emphasis on Interpal in London](#). The reports indicated that Interpal had been continuously involved in transferring enormous sums of money to [Hamas institutions](#) in the PA-administered territories part of, [which found its way to the movement’s terrorist-operative system](#).
- As a result of both the wide coverage of Hamas activity in Britain by the British media and pressure brought to bear by Israel and local Jewish groups and individuals, at the end of [1995 then British Home Secretary](#) (Minister of the Interior), Michael Howard³⁶ ,[instructed the British security service to open a full-scale investigation](#) of the Interpal. It was conducted through 1996 by the Charity Commission and its purpose was to verify whether or not inappropriate use was being made of the money and whether it was being used to its designated end or being misused for political and militaristic activities. Interviews given at that time by official sources, Howard among them, reported that British security was monitoring the activity of radical Islamic institutions operating in the UK, among them financial institutions serving Hamas. However, no illegitimate financial activity was reported as being found.

36. Who recently (early 2004) became the leader of the opposition Conservative Party.

- The abovementioned notwithstanding, [in March 1996 those in charge of charity Commission in Britain ordered Interpal’s bank accounts frozen because there was a suspicion it was funding the activities of Hamas’ terrorist-operative wing](#) . At the same time, it was reported that the British government would act to frustrate the activities of terrorist elements in the UK and even examine³⁶ the possibility of passing strict laws which would end the raising of funds for subversive goals under the pretext of philanthropic activity. In reaction to the freezing of Interpal’s assets, ‘Essam Yussuf, then Interpal’s director, denied any connection between the fund and Hamas and repeated the claim that Interpal dealt with financing [humanitarian projects](#) in the PA-administered territories. However, he refused to condemn Hamas attacks against Israel, which at that time caused unprecedented numbers of indiscriminate civilian deaths in Israeli cities.
- When the Charity Commission finished its examination in June 1996, it announced that no concrete information had been found linking Interpal to terrorist organizations. Apparently, in the eyes of the Commission, [the activity of Hamas elements in Britain did not pose a threat to the country](#) and did not contravene British law. However, legal experts had already stated that Hamas was [not considered a terrorist organization \(such as the IRA\) whose activity was banned in Britain and thus they could not take steps against it](#).
- In April 2003 the Charity Commission announced it was [reopening](#) its investigation of the [links between Interpal and Hamas](#), but it apparently ended without producing results. Nevertheless, after Interpal was designated by American Executive Order 13224 in August 2003, the British authorities adopted the Order, froze Interpal’s accounts and announced that it would

investigate its ties with Hamas. On September 24, 2003 the freeze order was rescinded on the grounds that the American authorities had failed to produce evidence proving that Interpal was involved with Hamas' political or violent militaristic activities. It was only a few days later that Hamas, both its political and terrorist-operative wings, was included in the European Union's list of terrorist organizations, a decision backed by Britain. The EU's decision meant, in fact, that support of Hamas' civilian infrastructure of the sort provided by Interpal was considered financing terrorism.

- Britain's decision not to deal with Interpal is particularly striking considering that most of the other European countries took steps to limit the activity of designated Hamas-affiliated organizations on their territory, some of them even closing the organizations' offices. Britain, however, continues allowing Interpal to operate without interference, which is liable, in Israeli assessment, to increase the use that Hamas funds and foundations in Europe make of Interpal as the intermediary in transferring money to the PA-administered territories.

- In summation, many documents which fell into Israeli army hands (a large part of which appear below) clearly illustrate in most probability for the first time publicly, the connection between Interpal and Hamas and prove that the British authorities' claim that Interpal is not involved in financing terrorism needs to be reconsidered. 'Essam Yussuf, the fund's central figure, is a Hamasactivist, the "charitable societies" and other institutions to which the donations are sent are known to belong to Hamas and serve as part of its terrorism-supporting apparatus, and the funds and foundations with which Interpal collaborates are known to send a great part of the donations they collect for needy Palestinians to finance Hamas' civilian infrastructure. That is what enables Hamas to continue expanding both its political and terrorist activities and purchase the sympathy and support of the local population, establishing itself as a future radical Islamic alternative for the Palestinian Authority. The money Interpal sends Hamas from Britain via "charitable societies" and similar organizations enables it to pursue its goals and makes it more difficult for Israel to cope with the terrorist activities of this vicious terrorist organization, which has been internationally recognized as such.

Note: This is the first part of the document. The continuation in English will appear shortly...