



Tel Aviv Yafo

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“Swords of Iron”

The Israel Money Laundering and Terror Financing Prohibition Authority (IMPA) calls on the financial sector and the public to increase their vigilance towards terrorist financing attempts in light of the ongoing war and state of emergency

The Israel Money Laundering and Terror Financing Prohibition Authority calls on the financial sector to increase their vigilance for illegal financial activity due to the ongoing war and to inform the IMPA immediately regarding any potential terrorist financing activities.

Directors, managers, and employees of IMPA are filled with tremendous sorrow and grief due to the horrific events that have occurred in Israel in recent days. We wish to express our deep sorrow and sincerest condolences to the families of the murdered, kidnapped, missing and injured.

IMPA does everything in its power to actively fight terrorist financing throughout the year and even more so during situations like these.

In light of the declared state of emergency in Israel as well as the ongoing war, appropriate preparation and maximum vigilance is required of the financial sector in general and reporting entities. Special attention must be paid towards financial activity whose purpose is to finance and support terrorist activity and to assist terrorist organizations, particularly Hamas and the Palestinian Islamic Jihad.



Based on past experience, activities of this kind will often appear under the guise of fundraising campaigns for humanitarian aid and be led by various associations and charities or private initiatives. Such campaigns will be published in various media, on crowdfunding sites, instant messaging applications and on the various social media networks, using a variety of channels and avenues for transferring money, including bank and electronic transfers, credit cards, advanced payment methods, gift cards and cryptocurrency. These publications are mostly made in Arabic and English, and may refer to the Gaza Strip, to the fighting in Gaza, and sometimes include the involvement of declared parties or feature symbols of the Hamas or the Palestinian Islamic Jihad organization. Examples and evidence of this kind of activity are already occurring and are expected to increase as the war continues.

Since the beginning of the war, IMPA has been in continuous contact with its partners and FIUs in other countries and are working jointly with its partners in the law enforcement and security agencies to freeze/block accounts and other financial activities for which there is an indication that they are being used to raise funds for the terrorist organizations. The reporting entities, by virtue of their role as the gatekeepers of the financial system in the State of Israel, play a vital role in this struggle.

Therefore, **IMPA wishes to increase vigilance and devote all the necessary resources towards monitoring, locating and reporting of potential terror support and terror financing activities to IMPA in an effective and immediate manner.** This includes any information on international and cross-border activity with an emphasis on the factors and/or platforms involved in the funding as well as any activity for which there is an indication that it is related to Hamas and the Palestinian Islamic Jihad.

Below are general instructions regarding the duties of control, identification and reporting of terrorist financing activities. Please note that this is a preliminary guideline only. IMPA diligently monitors the developments in this area and will make sure to inform the relevant parties as well as publish additional updates as necessary.

In addition, the IMPA calls on any party in possession of relevant information on financial activity whose purpose, as stated above, is to finance and support terrorist activity and assist the terrorist organizations, to forward it urgently via email: impaoffice@justice.gov.il.



Guidelines for Reporting Entities

- **Reporting irregular activity to IMPA for the Prohibition of Money Laundering and Terrorist Financing:**

In accordance with the provisions of Section 95 of the Anti-Terrorism Law, Sections 7 and 8a of the Law on the Prohibition of Money Laundering and the provisions of the Money Laundering Prohibition Orders established by virtue thereof, at the same time **as the report** is

forwarded to the police, the supervised entity shall submit a report to IMPA for the Prohibition of Money Laundering Capital and financing of terrorism for any action in property, or attempt to perform an action, which has the purpose of promoting or financing the act of a serious terrorist offense, assisting in the act of a serious terrorist offense or rewarding for the act of such an offense. **The report will include the details of the customer as well as the details of the transaction or operation and their circumstances, with an emphasis on the information related to the financing activity and the platform used and every detail regarding their geographic location as far as is known, including an explicit mention that this is a report concerning terrorist financing, stating that a report was submitted to the police at the same time, and adding a phrase Key - "Iron Swords".**

- **Direct update:** At the same time as sending an irregular activity report, IMPA must be updated directly and immediately via email or phone to the relevant referent for each financial sector or to the Impa-portal-col@justice.gov.il email box.
- **Check against the designation list:** In accordance with the anti-money laundering orders and the sanctions regime in the context of terrorist financing, in every contact with a new customer, when updating the lists and performing certain actions, the supervised entity will compare the name of the customer, beneficiary, authorized signatory, the owner of the account as well as the names

Possible Key Words

Gaza Strip
GAZA
Terror
Terror organization
Hamas
Islamic Jihad
Associations and non-profits
Crowdfunding
Social media networks
Cryptocurrencies



of the parties involved in the transfer of funds against the announced lists and will identify if there is a match between them. IMPA recommends examining operations also against major international designation lists, such as OFAC.

- **Delay activity:** In accordance with the provisions of Section 32 of the Anti-Terrorism Law, if the supervised party has identified such compliance, or if a suspicion has arisen that there is an attempt to assist, promote or finance the act of a serious terrorist offense or reward the act of a serious terrorist offense, it will immediately delay any activity in the customer's account, and will not perform any financial activity.
- **Receiving instructions from the police:** in accordance with the provisions of section 33 of the Anti-Terrorism Law, the supervised party **will report to the Money Laundering Coordination Unit of the Israel Police** (Modiincalcali@police.gov.il), and will pass on the client's details as well as the details of the transaction or operation, and will wait to receive instructions from the police regarding continued activity.

Kind regards,

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Director General at Israel Money Laundering and Terror Financing
Prohibition Authority