
ISIS IS LOSING MOSUL AND MOST OF ITS INCOME

- 30.06.2017

CNN (29 June 2017)

Analysts and security experts at IHS Markit estimate that the terror group's earnings have plunged by 80% over the past two years as territorial losses starved it of oil and tax revenue.

ISIS brought in \$16 million per month in the second quarter of 2017, a sharp decline from \$81 million a month during the same period in 2015, according to IHS Markit's Conflict Monitor, which draws on interviews, Islamic State documents, the United Nations, and Syrian opposition sources.

The report underscores just how much has changed for a group that became the world's richest terrorist organization by taxing the people in its territory, selling oil on the black market, smuggling stolen archeological artifacts and demanding kidnapping ransoms.

"Territorial losses are the main factor contributing to the Islamic State's loss of revenue," Ludovico Carlino, senior Middle East analyst at IHS Markit, said in a statement.

The analysts said that average monthly oil revenue is down 88% from 2015, while income from taxation and confiscation has fallen by 79%.

Three years since the group declared a self-styled Islamic State in Iraq and Syria, ISIS is reeling from losses across its so-called caliphate.

It is fast losing its grip on Mosul, its biggest hub in Iraq, and its de-facto capital in Syria -- Raqqa -- is all but surrounded.

IHS Markit estimated that ISIS has lost 60% of its land since January 2015, with its holdings now reduced to a territory the size of Belgium.

"Losing control of the heavily populated Iraqi city of Mosul, and oil rich areas in the Syrian provinces of Raqqa and Homs, has had a particularly significant impact on the group's ability to generate revenue," said Carlino.

The analysts said that ISIS will seek to adapt to the severe loss of financing and territory by returning to what it does best -- agile attacks, mobility and surprise.

"Although the Islamic State still appears to be involved in some commercial activity, especially oil production, there are indications that it is attempting to increase its financial 'reserves,' accelerating the shift from a highly bureaucratic and centralized quasi-state economy towards funding a future insurgency through a real war-economy," Carlino said.

Kaynak/Source: