
ISIS MEMBERS PLUNDERED \$800 MILLION FROM IRAQ, CENTRAL BANK SAYS

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By Jack Moore

How ISIS Went Global

The Islamic State militant group (ISIS), in its three years in control of major cities in Iraq, plundered more than \$800 million from Iraqi bank facilities and reserves, according to the countrys Central Bank.

In a new report, the Central Bank of Iraq says that extremists linked to ISIS have taken \$101 million and 856.5 billion Iraqi dinars (\$727.6 million) from banks in the territory it controlled following the creation of its self-styled caliphate in July 2014, a total of almost \$830 million.

The number is a significant amount but analysts had believed the group to have stolen trillions of Iraqi dinars, so the Iraqi Central Banks accounts, first reported in the local Iraqi press, appear lower than expected.

The 800 billion [Iraqi dinars] helped them pay salaries and make everyone happy at first, to win over some hearts, says Qusay Muhyaldein, analyst at Euphrates Advisors, a Delaware investment company that manages the Euphrates Iraq Fund.

They have made a lot more from confiscating property, exporting oil, human trafficking and the smuggling/weapons businesses.

The group became one of the richest extremist groups in history, using its territorial hold to gather funds from a variety of income streams, such as oil smuggling, looting and the taxing of those living under its control, as well as the confiscation of property and possessions. Foreign donations, trade of artifacts and hostage-taking, are believed to be less prominent sources of its funds. Although a French security official, speaking to the The Wall Street Journal last week on condition of anonymity, estimates that the group was earning around \$100 million a year.

The Iraqi Central Bank says that ISIS, after overrunning the northern Iraqi city of Mosul in July 2014, captured more than 100 private and public bank branches across Iraq. Muhyaldein says that more than half of the \$830 million was captured from the Trade Bank of Iraq's vault in Mosul. The bank is the main institution that Baghdad uses for trade and financing.

The U.S.-led coalition has made stymying the jihadist groups revenue streams one of the prongs of its attempts to degrade the group in Iraq. In its airstrikes on Mosul, it has targeted bank facilities it

says were being used by ISIS. The group in turn posted images and footage of the destruction of the banks in its propaganda output.

Iraqi civilians inspect burned shops after mortar shells landed in a market in the city of Mosul, Iraq, on March 26.

In January 2016, a coalition strike on an ISIS cash storage facility destroyed millions of dollars of the groups funds in Mosul. The groups fighters were using the money for oil, looting and extortion, U.S. officials said.

The group has continued to suffer battlefield defeats in Iraq and Syria, last month losing Mosul, the biggest city it had captured, and half of the eastern Syrian city of Raqqa in the ongoing battle against a Kurdish-Arab ground coalition backed by U.S.-led coalition air power.

The jihadist group has heavily relied on its control of territory and its sales pitch of a caliphate for the worlds Muslims. But as it continues to lose land, it also loses people under its control, and has fewer resources to trade, such as oil.

Estimates show that the groups revenue dropped from \$1.9 billion in 2014 to less than half that in 2016, a maximum of \$870 million.

Into 2017, the group has continued to hemorrhage revenue. It lost 80 percent of the revenue it was once making, according to London-based defense consultancy IHS Markit by the second quarter of 2017.

In mid-2015, the group was making an average of \$81 million a month but by mid-2017 it was making just \$16 million a month. Its revenue from illicit oil and gas trades has dropped 88 percent, and its cash stream from tax and confiscation fell 79 percent, its figures show.

While it remains difficult to say with certainty how many resources the group has at its disposal, it is clear that its reserves have declined significantly, putting it in a weaker position than it once held. This trend is only set to continue as battles across Iraq and Syria rage on, and President Trump's all-out war on the group continues to take shape.

Kaynak/Source: