

Tranche 6  
December 20, 2001

<b>DESIGNEES</b>	<b>ON UN 1390 LIST</b>	<b>TYPE</b>
1 LASHKAR E-TAYYIBA	No	Entity
2 UMMAH TAMEER E-NAU (UTN)	Yes	Entity
3 MAHMOOD, Sultan Bashir-Ud-Din	Yes	Individual
4 MAJEED, Abdul	Yes	Individual
5 TUFAIL, Mohammed	Yes	Individual



**FROM THE OFFICE OF PUBLIC AFFAIRS**

December 20, 2001  
PO-885

**TREASURY SECRETARY PAUL O'NEILL  
REMARKS ON NEW TERRORIST FINANCING DESIGNATIONS**

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Today, we are blocking the assets of a terrorist organization, UTN, and three of its directors, because they finance terrorism. But they don't threaten freedom with only their money. UTN and its directors provided more than money to al Qaida, they provided knowledge of nuclear, chemical and biological weapons.

UTN's founder was the former chief designer and director of an atomic reactor in Pakistan. He was joined in UTN by a number of other prominent Pakistani scientists, retired military officers, and industrialists. On a number of occasions, UTN delegations traveled to Afghanistan, where UTN directors met with Usama bin Laden and al-Qaida leaders and discussed nuclear, chemical, and biological weapons. Even after September 11<sup>th</sup>, UTN representatives sought to provide bin Laden and Taliban with still more devastating weapons of mass destruction.

By blocking their assets today, we aren't just freezing the money in their bank accounts. More importantly than what we catch in their accounts, we disrupt the pipelines they use to move money and to communicate. For example, last month, we blocked the assets of the Holy Land Foundation, because they raise money for the Hamas terrorist organization. Holy Land raised \$13 million in the United States last year.

We also closed down the U.S. and overseas operations of a major financial network - al-Barakaat, from which al Qaida terrorists profited. We estimate that \$25 million was skimmed from the Barakaat network of companies each year, and re-directed toward terrorist operations.

We are putting the world on alert that these terrorists must not have access to finances anywhere. And allies around the world are eagerly joining our effort.

For example, Canada has blocked the assets of all terrorists listed by the U.S. and UN, and has led G-20 efforts to adopt an action plan to combat terrorist financing. The United Arab Emirates took coordinated action with U.S. against Al-Barakaat, raiding offices in the UAE and blocking their assets.

Day by day and week by week we are building a wall between global terrorists and the world financial system they rely on. This is a long fight. We will work with our allies everywhere, keeping after this effort until there is no place on earth where terrorists can hide their money.



**FROM THE OFFICE OF PUBLIC AFFAIRS**

December 20, 2001  
PO-886

**Terrorist Financing Fact Sheet**

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"Our attack on terrorist finances is progressing. The assets of more than 150 known terrorists, their organizations, and their bankers have been frozen by the United States. 142 countries have issued blocking orders of their own."

President George W. Bush

December 20, 2001

**Today's Action**

President Bush today announced the blocking of assets of Umma Tameer-e-Nau (UTN), a non-governmental organization founded by Pakistani nuclear scientists that has provided information to Usama bin Laden and the Taliban about chemical, biological, and nuclear weapons. Today's designation also blocks the assets of three key directors of UTN: Bashir-ud-Din Mahmood, founder of UTN and formerly the director for nuclear power at the Pakistani Atomic Energy Commission (PAEC); Abdul Majeed, a former high-ranking official at the PAEC and an expert in nuclear fuels; and S.M. Tufail, an industrialist.

President Bush also announced the blocking of assets of Lashkar-e-Tayyiba (LET), a Kashmiri terrorist organization that has conducted a number of operations against Indian troops and civilian targets in Kashmir since 1993.

Today's action is taken under the authority of Executive Order 13224, signed by the President on September 23, which authorizes aggressive actions against the bankers of international terrorism.

With today's action, the U.S. has now designated 158 individuals and organizations pursuant to Executive Order 13224.

**Umma Tameer-E-Nau (UTN)**

UTN was founded by Pakistani nuclear scientists with close ties to Usama bin Laden and the Taliban.

The leader of UTN, Bashir-ud-Din Mahmood, founded UTN after leaving the PAEC, where he most recently served as Director for Nuclear Power. He previously served as the director of Pakistan's Khushab Atomic Reactor and was involved in the early days of Pakistan's uranium enrichment program. The Khushab atomic plant now produces enough plutonium for as many as two nuclear bombs a year. For his work at Khuschab, Mahmood received one of the highest civilian awards in Pakistan.

Mahmood left the PAEC after criticizing the Government of Pakistan's movement towards signing the comprehensive test ban treaty. He has also advocated equipping other Islamic nations with enriched uranium and weapons-grade

plutonium.

UTN has been linked to Wafa Humanitarian Organization and Al Rashid Trust, two other non-governmental organizations with ties to al-Qaeda that were designated on September 23, 2001 as supporters of terrorism under Executive Order 13224.

UTN Has Advised The Taliban, Usama bin Laden, And Al-Qaeda About The Development Of Weapons Of Mass Destruction

During repeated UTN visits to Afghanistan, UTN directors and members have met with Usama bin Laden, al-Qaeda leaders, and Mullah Omar, the leader of the Taliban, and discussed the development of chemical, biological, and nuclear weapons.

During 2001, Mahmood met with Mullah Omar and with Usama bin Laden. During a follow-up meeting, an associate of Usama bin Laden indicated he had nuclear material and wanted to know how to use it to make a weapon. Mahmood provided information about the infrastructure needed for a nuclear weapons program and the effects of nuclear weapons.

In November 2001, the Taliban left Kabul and the workers at UTN's Kabul offices fled the area with them. Searches of UTN locations in Kabul have yielded documents setting out a plan to kidnap a U.S. attaché and outlining basic nuclear physics related to nuclear weapons.  
Lashkar-E-Tayyiba (LET)

Lashkar-e-Tayyiba (LET) is the armed wing of the Pakistan-based religious organization, Markaz-ud-Dawa-wal-Irshad (MDI), a Sunni anti-US missionary organization formed in 1989. LET is one of the three largest and best-trained groups fighting in Kashmir against India, and is not connected to a political party. LET's leader is MDI chief, Professor Hafiz Mohammed Saeed.

LET has conducted a number of operations against Indian troops and civilian targets in Kashmir since 1993. LET is suspected of eight separate attacks in August that killed nearly 100, mostly Hindu Indians. LET militants are suspected of kidnapping six persons in Akhala, India, in November 2000 and killing five of them.

LET has several hundred members in Azad Kashmir, Pakistan, and in India's southern Kashmir and Doda regions. In their operations, LET uses assault rifles, light and heavy machineguns, mortars, explosives, and rocket propelled grenades.

LET is based in Muridke (near Lahore) and Muzaffarabad. LET trains its militants in mobile training camps across Pakistan-administered Kashmir and Afghanistan.

LET collects donations from the Pakistani community in the Persian Gulf and United Kingdom, Islamic NGOs, and Pakistani and Kashmiri businessmen. The amount of LT funding is unknown. LET maintains ties to religious/military groups around the world, ranging from the Philippines to the Middle East and Chechnya through the MDI fraternal network.

## Statement of the Case: Ummah Tameer-e-Nau (UTN)

Based upon information available to the United States Government, we have a reasonable basis to believe that Ummah Tameer-e-Nau (UTN) has provided material support and otherwise facilitated the activities of terrorists and terrorist-related organizations. UTN is controlled by its founding members who also serve as UTN directors: Bashir-ud-Din Mahmood, Ashrad Ali Chaudhry, Abdul Majeed, Humayun Niaz, Mohammed Tufail, Mirza Yusuf Baig, and Mohammed Hanif. Although some of the information concerning UTN comes from sensitive sources that cannot be disclosed, what follows is an unclassified summary of certain information concerning UTN and its directors. We believe that this information is generally reliable and, taken as a whole, supports the decision to block the assets of UTN and its directors.

### *UTN's Founding and Purpose*

UTN is a non-governmental organization (NGO) that was founded by Bashir-ud-Din Mahmood. Mahmood established UTN after leaving Pakistan's Atomic Energy Commission (PAEC) in 1998, where he most recently served as Director for Nuclear Power. He had previously served as the chief designer and director of Pakistan's Khushab Atomic Reactor and was a pioneer in setting up Pakistan's uranium enrichment program. The Khushab atomic plant now produces enough plutonium for as many as five nuclear bombs a year. For his work at Khushab, Mahmood received one of the highest civilian awards in Pakistan. Mahmood left PAEC after criticizing the Government of Pakistan's movement towards signing the comprehensive test ban treaty. He also advocated equipping other Islamic nations with enriched uranium and weapons-grade plutonium. Mahmood reportedly claimed that his knowledge of Pakistan's nuclear program was a state secret, but not his knowledge regarding production of weapons grade plutonium and enriching uranium. Mahmood is a supporter of the Taliban - once describing the Taliban as the "ideal Islamic state". He purportedly established UTN to rebuild Afghanistan's infrastructure and raise money to develop the Taliban-held areas of Afghanistan. Mahmood was joined in UTN by a number of other prominent Pakistani scientists, retired military officers, and industrialists: Abdul Majeed, a former high ranking official at PAEC and an expert in nuclear fuels; Mirza Yousaf Baig, a senior scientist and the owner of a construction company; Humayan Niaz, a retired navy officer in the electrical engineering division; S.M. Tufail, an industrialist; retired navy commander Arshad Chaudhry; and Mohammed Hanif.

In fact, UTN's real objective is to assist the Taliban<sup>1</sup> and Usama bin Laden ("bin Laden")<sup>2</sup> and his al-Qa'ida<sup>3</sup> terrorist network in developing high-tech weapons. During UTN visits to Afghanistan, Mahmood and Majeed met with bin Laden and al-Qa'ida

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<sup>1</sup> The Taliban is a Specially Designated National under Executive Order (E.O.) 13129.

<sup>2</sup> Usama Bin Laden is a Specially Designated Global Terrorist (SDGT) under E.O. 13224.

<sup>3</sup> Al-Qa'ida is an SDGT Entity under E.O. 13224.

leaders and discussed nuclear, chemical and biological weapons. UTN funding has been linked to Al Rashid Trust,<sup>4</sup> a charity with ties to al-Qa'ida.

#### *UTN's Ties to the Taliban and Al-Qa'ida*

In Pakistan, Mahmood received a number of visits from high-ranking Taliban officials looking for wealthy investors. UTN built an industrial park with a flourmill near Qandahar. The flourmill may have been a cover for a nuclear weapons program.

On a number of occasions a UTN delegation -- made up of a combination of Mahmood, Majeed, Baig, Niaz, Tufail, Chaudhry, and Hanif -- traveled to Afghanistan and met with a number of Taliban officials (including Taliban leader Mullah Mohammed Omar), bin Laden, and bin Laden associates. UTN reportedly has the personal support of Mullah Omar and close ties to his Taliban regime. Mahmood apparently spoke openly of his meetings with Omar and bin Laden.

In Spring 2001, UTN met with the Taliban's Ministry of Water and Electricity. During this meeting, UTN signed a contract with the Taliban to develop barren land. During a visit to Qandahar in the summer of 2001, Mahmood met several times with Mohammed Omar. He also met with bin Laden. In late summer 2001, Mahmood and Majeed held extensive meetings with bin Laden and his associates. After September 11, 2001, Mahmood and Majeed met again with Omar. During meetings with bin Laden and al-Qa'ida associates, Mahmood and Majeed spoke extensively about weapons of mass destruction. During these meetings, bin Laden indicated he had nuclear material and wanted to know how to use it to make a weapon. Mahmood and Majeed provided detailed responses to questions regarding the manufacture of nuclear, biological, and chemical weapons.

In November 2001, the Taliban left Kabul and the workers at UTN's Kabul offices fled the area with them. Searches of UTN locations in Kabul have yielded documents setting out a plan to kidnap a U.S. attaché and outlining basic nuclear physics related to nuclear weapons.

#### *UTN Supports Terrorist Activities*

UTN is controlled by a board of directors, which is comprised of a president, vice president, and approximately ten directors. As set out above, the actions of UTN and its directors give rise to a reasonable basis to believe that UTN's real purpose is to provide funding, expertise, and other support to terrorist activities and terrorist-related organizations. Given this purpose, it is reasonable to believe that -- in addition to the UTN members who are known to have direct connections to the Taliban, Usama bin Laden, and al-Qa'ida -- UTN and its directors should be considered to support, fund, and otherwise facilitate terrorist organizations and activities.

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<sup>4</sup> Al Rashid Trust is an SDGT Entity under E.O. 13224