



26 July 2021

John Greenewald, Jr.



john@greenewald.com

Reference: F-2017-00397

Dear Requester:

This letter is a final response to your 2 December 2016 Freedom of Information Act (FOIA) request for **a copy of records, electronic or otherwise, of the report, "Facilitating Disaster: An overview of 11 September Finance," dated August 22, 2002.** We processed your request in accordance with the FOIA (5 U.S.C. § 552, as amended, and the CIA Information Act, 50 U.S.C. § 3141, as amended).

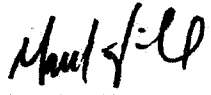
We completed a thorough search for records responsive to your request and located the enclosed document that can be released in segregable form with deletions made on the basis of FOIA exemptions (b)(1) and (b)(3). Exemption (b)(3) pertains to information exempt from disclosure by statute. The relevant statutes are Section 6 of the Central Intelligence Agency Act of 1949, as amended, and Section 102A(i)(1) of the National Security Act of 1947, as amended.

As the CIA Information and Privacy Coordinator, I am the CIA official responsible for these determinations. You have the right to appeal this response to the Agency Release Panel, in my care, within 90 days from the date of this letter. Please explain the basis for your appeal.

Please be advised that you may also seek dispute-resolution services from the CIA FOIA Public Liaison or from the Office of Government Information Services (OGIS) of the National Archives and Records Administration. OGIS offers mediation services to help resolve disputes between FOIA requesters and Federal agencies

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Sincerely,

A handwritten signature in black ink, appearing to read "Mark Lilly". The signature is written in a cursive style with a large, stylized initial "M".

Mark Lilly
Information and Privacy Coordinator

Enclosure

This document is made available through the declassification efforts
and research of John Greenewald, Jr., creator of:

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CENTRAL INTELLIGENCE AGENCY



DIRECTORATE OF INTELLIGENCE

22 August 2002

Facilitating Disaster: An Overview of 11 September Finance

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**Facilitating Disaster: An Overview of
11 September Finance** [REDACTED]

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Key Findings [REDACTED]

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The financial transactions that supported the 11 September attacks in many ways reflected the overall nature of the operation, relying on ostensibly legitimate activities carried out in the United States and Western Europe over the course of more than two years. The hijackers and their financial facilitators appear to have been well coached by an organizational leadership with lengthy experience in moving funds unobtrusively. In the pre-11 September atmosphere, the plotters' clean personal histories and close adherence to an unobtrusive system of financial interaction that supported the plot could not—absent additional cause for suspicion—have alerted US officials or financial sector observers to the impending disaster. Key characteristics of the financial support operation include

- *Long-term planning.* Transfers of significant funds related to the operation began nearly two years before the attacks and appear to have been calculated to cover specific training and travel needs.
- *Division of labor.* Each hijacker appears to have been responsible for maintaining his own account and personal transactions, while three hijackers generally assumed responsibility for communicating with financial facilitators, receiving funds, and distributing them to other hijackers.
- *Pervasive use of cash.* The plotters used cash to open accounts and effectively concealed their day-to-day activities through cash withdrawals rather than check or credit transactions.
- *Trickle-down via intermediaries.* The plotters obscured the operation's ultimate funding sources by sending funds through various individuals before reaching the final recipient. [REDACTED]
- *Exploitation of open economics.* The operation's principal financial hubs were the United Arab Emirates (UAE), Germany, and the United States, in part because of the relative ease and anonymity with which financial transactions can be conducted in these countries.
- *External funding.* Virtually all of the financial support for the attacks came from abroad. [REDACTED]

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[Redacted]

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Al-Qa'ida almost certainly has interpreted the operation—given its relatively low cost compared to the extensive damage inflicted—as a financial success and may seek to replicate some elements of the plot's financial tradecraft and methodology in future operations, particularly high-impact attacks conducted in the United States.

[Redacted]

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- Al-Qa'ida's flexibility in adapting to new terrain will be aided by our public discussion of the financial sector's response to the September attacks and, despite new security precautions, will keep open the possibility of another similarly orchestrated spectacular attack.

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Facilitating Disaster: An Overview of 11 September Finance [redacted]

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The financial transactions that facilitated the 11 September operation reflect al-Qa'ida's ability to exploit the international financial system and the openness of Western societies. The hijackers and their coconspirators generally did little that would have alerted authorities even in today's heightened security environment, providing a model for facilitating future attacks inside the United States and posing significant challenges to combating terrorist finance [redacted]

Startup Funding: Late 1999-Mid-2000
Financial preparations for the 11 September attacks probably began in late autumn 1999 and centered around Hamburg cell members **Marwan al-Shehhi, Muhammad Atta** [redacted] and **Ziad Jarrah**. In what we assess to be the first signs of operational planning for the 11 September plot, the three future hijacker-pilots began arrangements for travel to Kandahar, Afghanistan, for meetings with senior al-Qa'ida leaders around Ramadan (9 December 1999-7 January 2000) [redacted]

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A Chronology of 11 September Finance [redacted]

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[redacted] financial activities related to the 11 September operation began roughly two years before the attacks and proceeded through three general phases: 1) **startup funding** in support of travel and meetings during the period when the plot was conceptualized; 2) **funding the training and casing stages of implementation**, which coincided with the arrival in the United States of the three Hamburg-cell pilots and included their subsequent flight training and exploratory travel, possible dry runs, and target casing in this country; 3) **final-stage funding** support for the expanded teams of hijackers that began with the arrival of the "second wave."

- The first two phases involved only six hijackers, three who had already been in the United States, and the three Hamburg-cell pilots who joined them. The remaining 13 probably did not engage in significant financial activity until they arrived in the United States in Spring 2001. [redacted]

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This assessment was prepared by the DCI Counterterrorist Center's Office of Terrorism Analysis. Comments and queries are welcome and may be directed to [redacted]

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Al-Shehhi—an Emirati national who apparently was the point man within the hijacking group for financial matters—left Afghanistan before Atta and Jarrah [redacted]

[redacted]

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[redacted]

• **Ramzi Bin al-Shibh**, a suspect who fled to Pakistan the week before the attacks and has been indicted in Germany since, was a primary recipient

[redacted]

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In the months following the late-spring 2000 arrival of Atta and al-Shehhi in the United States, the influx of funds intensified when individuals in the UAE transferred \$115,000 by wire into the Atta/al-Shehhi joint account at SunTrust Bank in Florida [redacted]

• Bin al-Shibh applied five times during summer and fall of 2000 for a US visa for flight training in Florida but was denied each time. [redacted]

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[redacted]

[redacted]

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Indicted suspect **Zacarias Moussaoui** was in London at the time of the transaction, and Bin al-Shibh may have passed funds along to him.

[redacted] Moussaoui declared over \$35,000 in cash at a customs checkpoint upon entering the United States from London in February 2001, and Bin al-Shibh later wired Moussaoui funds directly during August [redacted]

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Other hijackers involved in the plot in its early stages—Jarrah, Khalid al-Mihdhar, and Nawaf al-Hazmi—did not receive the sizeable, frequent transfers al-Shehhi and Atta received. Jarrah appears to have spent money freely and even relied on his girlfriend for financial help [redacted]

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Al-Mihdhar and al-Hazmi opened an account at Bank of America in San Diego, California, with a \$9,900 cash deposit [redacted]

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[redacted] These two hijackers' pattern of activity [redacted]

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differed throughout the operation from that of the Hamburg cell members [redacted]

four occasions [redacted] but his trips may have been personal visits to his family or girlfriend that he financed with his own money.

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- From 10 June 2000 to early July 2001, al-Mihdhar spent more time abroad than in the US [redacted]

Training and Casing: September 2000–May 2001

The second phase of the financial side of the operation was a prolonged period in which the hijackers made few deposits and consistently withdrew large amounts. [redacted]

Al-Shehhi made one trip that resulted in significant cash deposits. [redacted] April 2001 he traveled to Egypt, where he met with Atta's father in order to procure Atta's international driving permit [redacted]

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On 11 May [redacted]

[redacted] deposited

\$8,600 into the joint SunTrust account [redacted] deposited another \$3,400 and \$8,000 cash on 22 May and 1 June respectively [redacted]

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[redacted] Al-Shehhi likely received the cash from financial facilitators while in Egypt. [redacted]

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Final-Stage Funding: May–September 2001

The third phase of the operation broadened the financial sphere to include the "second wave" of hijackers—younger Saudis who came to the United States during the plot's final stages. These hijackers appear to have served as both couriers for cash from the Middle East and points of distribution for funds that, if concentrated in one or two large accounts, might have drawn suspicion to the group. [redacted]

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This second wave of 13 hijackers arrived in the United States—mostly in pairs and all via the UAE—between late April and late June 2001 [redacted]

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- Al-Shehhi traveled to Morocco and Atta to Spain in January 2001 [redacted]
- Jarrah traveled to Europe and the Middle East on [redacted]

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second-wave hijackers had [Redacted] in cash or traveler's checks, most of which they probably had received from handlers such as al-Baluchi or al-Husawi in the UAE and carried with them to the United States.

- The second-wave hijackers also appear to have passed cash along to the first group of hijackers, mostly pilots, who had been in the United States for over a year [Redacted]

The Unique Role of Banihammad. Emirati national and Flight 175 hijacker **Fayiz Ahmed Banihammad** performed a significant financial role during the final months of the operation and may have been included in the plot as a distributor of funds directly from al-Husawi. He began preparations—procurement of a new passport and US visa—for travel to the United States in mid-June 2001, well after most of his fellow hijackers, but we lack information about his background or how he was recruited for the operation [Redacted]

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Banihammad collaborated closely with al-Husawi

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[Redacted]

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- Banihammad and al-Husawi opened accounts at Standard Chartered Bank (SCB) in the UAE on 25 June 2001 using cash deposits totaling almost \$30,000. [Redacted]

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- This group also used debit cards for many of their personal transactions, but they did not engage in nearly as much financial activity as the earlier set of hijackers.

- The second-wave hijackers brought in more cash than was needed for both living expenses and airline tickets during the summer and returned unused funds to facilitators before the operation.

[Redacted] Banihammad gave al-Husawi authority over his account and used an SCB card al-Husawi had mailed him in the United States to withdraw \$20,600 during August, part of which probably was distributed among the hijackers [Redacted]

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[Redacted]

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(b)(3) Moussaoui also received funds from al-Husawi during the summer in a series of transfers that came through Bin al-Shibh. [Redacted]

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[Redacted] al-Husawi—wired \$14,616 from the UAE to Bin al-Shibh in Germany in two installments on 30 and 31 July. Bin al-Shibh then wired \$14,126 in two installments to Moussaoui, then a flight trainee in Minnesota [Redacted]

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Return of Excess Funds to the Middle East.

Beginning about two weeks before the attacks, the hijackers began to consolidate remaining funds in several accounts and then returned them to handlers and possibly relatives in the Middle East. The consolidation started around the same time the hijackers began to purchase airline tickets for their 11 September flights, suggesting that the final preparations immediately proceeded from a decision to execute the attacks on that date.

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Al-Hazmi and al-Mihdhar also apparently attempted to return unused funds to the Middle East, yet chose not to use wire transfer services. Al-Mihdhar [redacted]

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[redacted] at [redacted] First Union Bank and transferred over \$10,000 [redacted] into the [redacted] account by 10 September [redacted]

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• The FBI advised that al-Hazmi addressed a package containing the First Union bank card [redacted] to a post office box [redacted] but that the package did not leave the United States before the 11 September attacks.

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In a departure from their usual, cash-based method of transferring funds among themselves, several hijackers wrote checks to consolidate excess cash.

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[redacted] [redacted] Hamza

may have used some of the money to purchase Ahmed's Flight 175 ticket [redacted]

Key Nodes: UAE, Germany, United States [redacted]

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The UAE, Germany, and the United States were the operation's most prominent financial hubs. The hijackers and their supporters took advantage of the abundant financial institutions, diverse international communities, and relative secrecy with which financial transactions can be conducted in each country. A significant portion of the funding that facilitated the attacks flowed from the UAE through Germany to the United States.

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[redacted]

The United Arab Emirates was host to the most critical financial activity related to the operation. The general openness of the UAE, its loose financial regulation, and its status as the financial center of the Middle East made it a far more attractive location than other Gulf countries for launching funds related to the operation.

Four hijackers—recipients of consolidated funds from other hijackers—returned over \$26,000 [redacted] in the week before the attacks.

Banihammad began the process on 6 September by wiring \$8,000 from his SunTrust Bank account to his joint SCB account with al-Husawi [redacted]

[redacted] at least \$250,000, or roughly 80 percent of our estimate of the total cost of the operation, came from cash, wire transfers, and direct bank accounts in the UAE. [redacted]

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(b)(1) Key financial facilitators operated in the UAE during
(b)(3) important phases of the plot, particularly the final five months. Al-Baluchi had been living and working there [redacted] and al-Husawi operated in the UAE

participate in the attacks—operated in Hamburg for the duration of the plot's planning phase and apparently managed financial and logistic matters in the hijackers' absence. The individuals and accounts in Germany usually served as halfway points for funding, rather than origins or final destinations.

(b)(1) [redacted]
(b)(3) • The two men were in contact with al-Shehhi and Atta and likely provided funds [redacted] who traveled directly to the United States from the UAE.

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• Bin al-Shibh and Essabar both applied for and were denied multiple times US visas; [redacted]

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The two hijackers who were Emirati nationals—al-Shehhi and Banihammad—each performed unique financial roles in the operation, maintaining the “flow-through” accounts by which facilitators such as al-Husawi funded the operation. [redacted]

Germany functioned as a locus of financial activity primarily because al-Shehhi, Atta, and Jarrah had lived in Hamburg before traveling to the United States. Several key associates of the Hamburg hijackers—two of whom probably intended to

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The United States was a notable financial hub despite the fact that none of the funding for the operation appears to have originated here. The hijackers used the domestic banking system extensively and may have assessed that doing so would help them appear nonintrusive.

The conspirators' financial behavior suggests that they were well coached by the leaders of an organization with lengthy experience in moving money unobtrusively. They often appeared to take pains to comply with reporting regulations.

• The hijackers opened [] US-based checking accounts [] and used debit cards rather than checks for most of their transactions []

• Moussaoui complied with US regulations by declaring over \$35,000 upon entering the United States []

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• The importance of purchasing airline tickets without drawing suspicion may have been the overriding rationale behind opening an account for each hijacker. []

None of the 19 hijackers opened an account in the United States with more than \$10,000 in cash, although Moussaoui opened an account in Oklahoma with \$32,000 []

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The hijackers conducted much of their financial activity in groups []

• The closest any of the hijackers' cash deposits came to the \$10,000 threshold for a Currency Transaction Report was in April 2000, when Khalid al-Mihdhar opened an account at Bank of America in San Diego with a cash deposit of \$9,900 []

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Financial Tradecraft: Learned From the Masters

Typical of an al-Qa'ida operation, the financial tradecraft of the plotters showed long-term planning and careful preparation. In the pre-11 September lax atmosphere of the US and international financial sectors, the hijackers managed to stay below the radar of possible observers while making open use of the banking system to deliver the funds needed to support the operation. They relied on the overall appearance of legitimacy and on a multitude of relatively minor transactions that—absent additional incriminating evidence—did not appear suspicious []

• Although the \$10,000 threshold does not apply to wire transfers, some wire transfers appear to have been sent to the hijackers in several installments, possibly to avert suspicion. []

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Some Classic Suspicious Indicators: Tipoffs of Future Terrorist Plots? []

Although their behavior generally appeared to match the student status given on their visa applications, several elements of the hijackers' tradecraft are typically associated with certain types of criminal behavior. []

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Pervasive Use of Cash

The use of cash was critical to concealing the origin and final use of large portions of the hijackers' funding. They often used debit cards for flight training and personal expenses, leaving large cash transactions unexplained.

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- Fifty-five percent [redacted] in total deposits associated with the hijackers' US-based checking accounts was in cash or traveler's checks. The remainder came primarily via wire transfer, [redacted]

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- Forty-two percent of the total disbursements from the accounts was in cash. Other major expenses were for flight training, airline tickets, and lodging, [redacted]

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Intermediate Accounts and Individuals

Much of the funding that reached the hijackers had traveled through at least one intermediate account or individual before reaching its final recipient. [redacted]

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Several accounts that were critical to the operation appear to have served as flow-through accounts—one indicator of suspicious financial activity in which periods of inactivity and stable, often low, balances are interrupted by large deposits that are soon followed by equally large withdrawals. In the case of the 11 September operation, flow-through accounts both obscured the source of funding and enabled intermediaries to pass money to associates along the way.

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- Al-Shehhi's [redacted] joint SunTrust account with Atta, and Banihammad's SCB account all seem to qualify as flow-through accounts [redacted]

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No Known Use of Hawalas [redacted]

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We have no information indicating the hijackers used *hawala* networks to send or receive funds. Despite several possible advantages that *hawalas* offer terrorist financiers over traditional wire transfer services—such as anonymity, cultural and language expediency, and ease of redeeming lost funds—the 11 September plotters may have calculated that the use of *hawalas* would draw unnecessary attention to their activities, particularly because al-Qa'ida operatives frequently distribute funds using *hawala* networks. [redacted]

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Hawaladars themselves may be suspicious of large transactions, especially if they do not know the sender or if he is not of the same nationality. The hijackers may have judged that Western banks and transfer services offered more universal, flexible methods of handling large sums of cash over the course of two years before the attacks. They also may have sought to follow local financial custom as a general rule for operational security purposes. [redacted]

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Khalid Shaykh Muhammad, probably the mastermind of the 11 September plot, appears to have used several intermediaries in disseminating funds. Al-Baluchi, al-Husawi, and other sources of wire transfers to the hijackers all appear linked to Muhammad, who effectively avoided drawing suspicion by varying the sources of transfers.

- Muhammad possessed a supplemental credit card on the UAE account of facilitator Mustafa Ahmad al-Husawi [redacted]

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Concealment of Identity

The hijackers generally conducted financial matters using true names or variants of true names, but they may have made nominal attempts to conceal some aspects of their identities. [redacted]

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[redacted]

- Nawaf al-Hazmi used [redacted] an apparently unwitting associate's bank account to receive a wire transfer from al-Baluchi in the UAE

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[redacted]

The hijackers' coconspirators took even greater pains to conceal their identities. Nearly all the nonhijackers associated financially with the operation appear to have used aliases or truncations of their names.

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- Al-Baluchi and al-Husawi likely used several aliases [redacted]

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- Bin al-Shibh also operated in alias [redacted]

[redacted]

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Implications for Future Operations [redacted]

Al-Qa'ida successfully conveyed necessary funds to the operational group while concealing the identities of the plot's financial backers, offering al-Qa'ida and other terrorist leaders an effective model of terrorist finance, particularly for operations in Western Europe or the United States.

- Al-Qa'ida likely will seek to replicate the hijackers' financial tradecraft and their ability to operate undetected in Western settings for prolonged periods [redacted]

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