

M E M O R A N D U M

To: Members of the Committee on Financial Services

From: FSC Majority and Minority Staff

Date: June 3, 2016

Subject: June 8, 2016, Task Force to Investigate Terror Financing hearing entitled “The Enemy in our Backyard: Examining Terror Funding Streams from South America”

The Task Force to Investigate Terrorism Financing will hold a hearing entitled “The Enemy in our Backyard: Examining Terror Funding Streams from South America” on Wednesday, June 8, 2016, at 9:00 a.m. in Room 2128 of the Rayburn House Office Building. This will be a one-panel hearing with the following witnesses:

- Dr. Mariano Federici, President, Financial Intelligence Unit of Argentina
- Mr. Michael Braun, Managing Partner, SGI Global, LLC
- Dr. Emanuele Ottolenghi, Senior Fellow, Center on Sanctions and Illicit Finance, Foundation for Defense of Democracies

This hearing will examine how South American criminal enterprises – including those designated by the State Department as Foreign Terrorist Organizations – fund their operations, including through illicit uses of the financial system. In particular, the hearing will examine money laundering associated with the drug trade, including connections between the drug trade and terrorism. The hearing will also examine illicit uses of the financial system associated with criminal activity in the tri-border area of Argentina, Brazil, and Paraguay, as well as with criminal activity in South America backed by Iran and Hezbollah. Witnesses will discuss tools at the disposal of the United States to enforce international money laundering laws in addition to methods by which countries may better coordinate their enforcement efforts.