



Appendix B – Statement of Reasons – Hizballah’s External Security Organisation

Hizballah’s External Security Organisation (ESO)

(Also known as: Foreign Action Unit; Hizballah ESO; Hizballah International;
Islamic Jihad Organisation; Revolutionary Justice Organisation;
and Special Operations Branch)

The following information is based on publicly available details about the ESO. To the Australian Government’s knowledge, these details are accurate and reliable and have been corroborated by classified information.

Basis for listing a terrorist organisation

Division 102 of the *Criminal Code* provides that for an organisation to be listed as a terrorist organisation, the Attorney-General must be satisfied on reasonable grounds that the organisation:

- (a) is directly or indirectly engaged in, preparing, planning, or assisting in or fostering the doing of a terrorist act (whether or not a terrorist act has occurred or will occur); or
- (b) advocates the doing of a terrorist act (whether or not a terrorist act has occurred or will occur).

Details of the organisation

The Hizballah Context

Hizballah is a pragmatic political organisation with deep roots in Lebanese society. Founded in 1982 with Iranian assistance during the Israeli occupation of southern Lebanon, Hizballah evolved into a multi-faceted organisation including political, social and military components supported by Iran and Syria.

Within Lebanon, Hizballah represents the Lebanese Shia community, the country's largest sect, and maintains a social welfare network that encompasses education and health services. Currently, it has two ministerial portfolios and constitutes an integral part of the ruling March 8 coalition.

As a fully-fledged political organisation, Hizballah engages with numerous international organisations and governments. For example, Hizballah liaises with the United Nations Interim Force in Lebanon (UNIFIL) in the context of the management of the cease-fire in southern Lebanon.

Hizballah also maintains a highly capable and well-resourced militia structured ostensibly to resist Israeli aggression, but also to defend and promote Shia interests in the context of Lebanon's historical and ongoing sectarian divisions. In 2006 it fought against the Israeli Defence Force and since then has been arming itself in preparation for future conflict. Hizballah receives training, funding and military equipment from Iran and Syria and is a highly sophisticated military actor.

The ESO Objectives

The External Security Organisation is a discrete branch within Lebanese Hizballah responsible for the planning, coordination and execution of terrorist attacks against Hizballah's enemies outside of Lebanon. Since entering the Lebanese Parliament in 1992 and the Government in 1995, Hizballah has sought to strengthen its public image as a respected resistance movement and lessen its

reputation as a terrorist group. This has seen the ESO operate independently of the parent body and become one of the best organised terrorist groups in the world.

The ESO was set up by Imad Mughniyah, who has been described variously as the head of Hizballah’s security section, a senior intelligence official and as one of the founders of Hizballah. After Imad Mughniyah fled to Iran following Hizballah’s 1983 attack on the US military in Beirut, the ‘international wing’ grew out of the military wing to become a separate branch under Mughniyah’s control. This is thought to be the genesis of Hizballah's 'international wing', or the ESO.

The ESO was led by Mughniyah until his assassination in Damascus in 2008. There have been no major acts of terrorism specifically attributed to the ESO since 1994. Nevertheless, Hizballah has vowed to retaliate against Israel for Israel’s perceived role in Mughniyah’s assassination. The ESO is likely to be responsible for planning future terrorist attacks against Israeli interests to this end.

Leadership and Membership

Little is known about the current structure or membership of the ESO. It remains a covert and highly secretive organisation that has been successful in restricting information about its organisational structure and membership. Its current leader is Talal Hamiyah.

Terrorist activity of the organisation

Directly or indirectly engaged in the doing of terrorist acts

Neither Hizballah nor the ESO have publically admitted responsibility for any terrorist attacks outside Lebanon. Nevertheless, the ESO is widely considered responsible for at least two major attacks against Israeli/Jewish interests outside of Lebanon in the early 1990s: the attack on the Israeli embassy in Buenos Aires in 1992, and the attack on the Argentine Israelite Mutual Association (AIMA) in Buenos Aires in 1994.

- On 17 March 1992, a truck laden with explosives was used to destroy the Israeli Embassy in Buenos Aires, Argentina. 29 people were killed, and 242 injured. Although Hizballah denied involvement, responsibility for the attack was claimed in the name of the Islamic Jihad Organisation, which cited its motive as revenge for Israel's assassination of Hizballah Secretary-General Abbas al-Musawi in February of that year. The Islamic Jihad Organisation is widely considered to be synonymous with the ESO. Argentinean authorities eventually issued an arrest warrant for then ESO leader Mughniyah for organising the attack.
- On 18 July 1994, a van carrying explosives was detonated outside the AIMA, killing 85 people and injuring more than 300. In 1999, Argentine authorities issued an arrest warrant for Mughniyah for his alleged involvement. No group claimed responsibility for the attack and Hizballah has repeatedly denied accusations that it conducted the attack. However, the Argentinean authorities concluded that ESO was responsible.

Directly or indirectly preparing and/or planning terrorist acts

In January 2012 Thai authorities announced the arrest in Bangkok of an individual allegedly linked to Hizballah and in possession of explosive precursors. The individual denied being connected to Hizballah and it remains uncertain whether the explosive materials were intended for use in Thailand or for shipment elsewhere. Nonetheless, any Hizballah connection almost certainly would be through the ESO and points to ESO's on-going interest in, and preparations for, terrorist activities outside Lebanon.

In addition, in 2008 alleged ESO operative Ali Karaki was arrested in Baku, Azerbaijan, and charged with plotting to bomb the Israeli Embassy.

Directly or indirectly assisting in the doing of terrorist acts

Hizballah elements provide training, operational support and material to Palestinian extremist groups, including the Palestinian Islamic Jihad and HAMAS's Izz al-Din al-Qassam Brigades, both of which are proscribed entities, and Shia militia elements in Iraq. Although these activities are undertaken by units within Hizballah specifically created for these tasks, elements of the ESO are likely involved.

Conclusion

Due to the secretive nature of the ESO, it is difficult to gather detailed information about the group’s role and activities. However, there is no indication that the ESO’s role has changed in recent times, and considering Hizballah’s stated desire to avenge the death of Imad Mughniyah, and the recent arrest of a probable Hizballah operative in Bangkok, it is likely that the ESO retains its separate terrorist function within Hizballah’s overall organisational structure.

On the basis of the above information, ASIO assesses the ESO continues to directly and/or indirectly engage in conducting, preparing, planning, assisting, advocating or fostering the doing of terrorist acts, involving threats to life and serious property damage. This assessment is corroborated by information provided by reliable and credible intelligence sources.

In the course of pursuing its objectives the ESO is known to have committed or threatened action:

- that causes, or could cause, serious damage to property, the death of persons or endanger a person’s life;
- with the intention of advancing Hizballah’s political, religious or ideological causes; and
- with the intention of intimidating the global public and sections of the global public.

Other Relevant Information

The United Kingdom and New Zealand have listed Hizballah’s ESO as a terrorist organisation under ‘Hizballah’s Military Wing’. Hizballah as a whole (including ESO) has been listed as a terrorist organisation by the governments of the United States and Canada.

