



Terrorism is changing:
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Monthly *Threat* Update

December 2021

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Threat Overview

There were no terrorist attacks in Great Britain this month. However, the Minister of State for Security and Borders re-emphasised the evolving nature of the terrorist threat towards “self-initiated” terrorism, particularly as a result of the COVID-19 pandemic.

An extremist crossbow plot was thwarted in Germany earlier in December, contributing to a recent rise in crossbows and bow-and-arrows featuring in extremist plots across Europe. Following an apparent attempt to assassinate (not terrorism related) Queen Elizabeth II with a crossbow later in the month, a review into The Crossbow Act has been ordered in the UK.

Elsewhere in the UK, a convicted terrorist was given a further sentence for using cryptocurrencies to finance terrorism. The value of cryptos sent by the terrorist over several years highlights the difficulties faced by security professionals trying to track and intercept these transfers.

Following the Liverpool bombing last month, updates are being made to the Poisons Act to require retailers to confirm the intended use of precursor chemicals before purchase and report suspicious activity within 24 hours.

Further afield, in Finland, five were arrested following the interruption of the first suspected right-wing terrorist plot in the country.

Terrorism is changing: Minister of State for Security and Borders warns of the evolving nature of terrorism in the UK

In an interview echoing recent statements from both MI5 and Counter Terrorism Policing, Damien Hinds, Minister of State for Security and Borders, has expressed concerns about the evolution of terrorists in the UK, particularly following the COVID-19 pandemic. He believes terrorism trends in the UK have shifted. Where previously, the threat was associated with plots directed and carried out by global terrorist organisations, the trend has shifted toward “self-directed” attacks. This trend shift has happened over a number of years; however, Hinds believes this has been exacerbated by the extended lockdowns enforced in the UK as a



Damien Hinds, Minister of State for Security and Borders.
Photo: Sipa US / Alamy Stock Photo

result of the COVID-19 pandemic.

The interview discusses why the term “lone wolf” is misleading. Hinds explained that whilst these actors often carry out an attack independently, it is unlikely such an attack was plotted entirely in isolation. It is more realistic to assume these actors will at some point have come in to contact with other like-minded individuals, particularly online. Hence, Hinds prefers to use “self-initiated” terrorism to describe the evolving terrorism landscape in the UK.

Hinds also discussed the potential threat posed by hostile states. Naming China, Russia, and Iran,

he echoed the concerns shared by Richard Moore, Chief of MI6, last month and Chief of MI5 Ken McCallum earlier this year. The threat of state sponsored terrorism emanating from these hostile states cannot be discounted, in particular in the cyber domain.

Finishing his interview, Hinds explained that whilst right-wing terrorism is increasing, particularly within younger age groups, Islamist terrorism still poses the greatest threat. He recognised how the situation in Afghanistan has contributed to the risk of terrorism against the West in the past, and how this risk has increased since the withdrawal of Western

troops from the country.

The situation in Afghanistan is likely to impact the terrorism threat in the UK in a number of ways. The defeat of Western forces in Afghanistan will have emboldened terrorists worldwide, and the unstable situation in the country will enable terrorist groups to plan and prepare further operations against the West. As a result, there is a realistic possibility that there will be successful attacks by “self-initiated” terrorists in the UK in the short to medium term. However, larger, more sophisticated attacks should not be ruled out in the long term.

A rise in incidents involving crossbows

In recent months Europe has seen an increase in the number of crossbows and bow-and-arrow plots and attacks. In the UK, on 25 December, an armed intruder, in possession of a crossbow, was intercepted entering the grounds of Windsor Castle. This was not a terrorist related incident, but it appears that it was an apparent attempt to assassinate Queen Elizabeth II. Earlier in December, raids in Saxony, Germany foiled a crossbow plot by anti-COVID-19-vaccination extremists to assassinate the Saxony premier, Michael Kretschmer. While both these incidents were foiled, in October an assailant killed five and injured two in a bow-and-arrow and bladed weapon attack in Norway. These incidents, alongside previous murder cases, have

led politicians and security professionals across Europe, and particularly in the UK, to question the rules and regulations surrounding this non-typical weaponry and the accessibility to such weapons.

The use of crossbows or bows and arrows is not commonly seen in the UK, however they have proven to be deadly weapons in previous murder cases. Between 2018-2020, there were three incidents involving crossbows which resulted in the murder of four individuals and the injury of another. These incidents were all targeted, involving direct action against the individual victims as opposed to indiscriminate attacks. While these particular incidents were not terrorism related, in January 2020, a man was charged under the Terrorism



Police officers lead a suspect out of a building entrance during a raid in the Pieschen district. After threats against Saxony's Prime Minister Kretschmer. Photo: Sebastian Kahnert/dpa-Zentralbild/dpa/Alamy Live News.

Act for possessing a crossbow, crossbow arrows, and a machete. Although these weapon types do not appear to be a first choice for extremists, they have featured within one murder and at least three terrorist plots in Europe in the past two years. As such, there is a realistic possibility that the UK could see more terrorist plots involving these weapons in the future. It is likely these weapons will be more favoured by far-right extremists due to the targeted nature of their attack methodology, and focus on Police, Military and Government officials. It is less likely that Islamist extremists will opt for this weapon choice due to their prioritisation of indiscriminate mass casualty attacks; however, this cannot be ruled out.

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A rise in incidents involving crossbows (continued)

Following the incident at Windsor Castle on 25 December, the Home Secretary, Priti Patel ordered a review of the laws surrounding crossbows. This was preceded by demands made in April 2021 for tighter regulations, following an inquest into the January 2018 incident leading to the death of Shane Gilmer and the wounding of his partner.

The Crossbow Act currently does not allow those under of the age of 18 to purchase a crossbow with a draw weight over 1.4kg and states the use of crossbows by those under 18 must be supervised by an adult. However, there are no laws relating to crossbows with a draw weight less than 1.4kg, and there is currently no monitoring of who purchases or owns crossbows within the UK. Anyone is able to purchase a crossbow with a

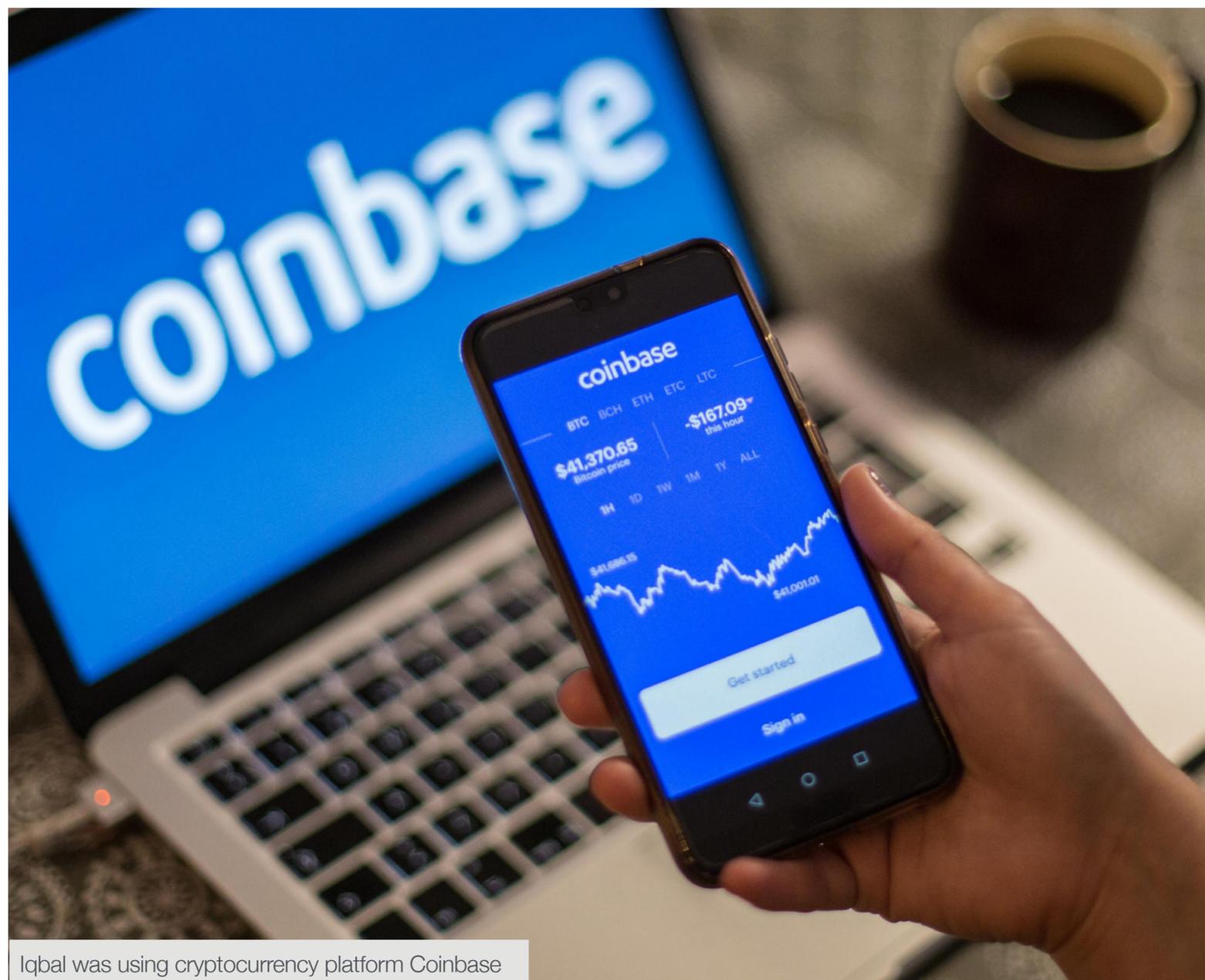


draw weight less than 1.4kg, and it is not expensive to do so (prices range from £12 - £500 in the UK). The ease by which these weapons can be purchased increases the risk that extremists will explore this methodology in the future.

As a result of the potential interest in crossbows by terrorists, the proven deadly nature of these weapons, and the increased interest in using them for criminal purposes over the past few years, it is likely that the Crossbow Act will be updated to monitor and restrict crossbow ownership and use in the UK. However, as bows and arrows have not recently been used in either criminal or terrorism incidents in the UK, it is unlikely that this upcoming review will consider new laws covering these weapon types.

The use of cryptocurrencies for terrorist financing

A convicted terrorist in Cardiff has been jailed for 16 months for four breaches of a 10-year notification order, between July 2019 and August 2021, by trading cryptocurrencies on the dark web. Khuram Iqbal was originally jailed in 2014 for possessing and disseminating terrorist publications and information in the form of the Al-Qaeda Inspire magazine. He was released on licence in 2015 but was recalled to jail in 2016 to serve the rest of his 3 year and 3 month sentence. Investigations have found that between November 2017 and March 2021, Iqbal deposited nearly £12,000 into an account with the online cryptocurrency platform Coinbase. Of the almost 400 transactions made from this account, it was three



Iqbal was using cryptocurrency platform Coinbase

Bitcoin transactions made in January 2020 which triggered Coinbase to issue a suspicious activity report.

Cryptocurrency is often favoured by criminals due to its untraceable nature. This is something which also makes it attractive to terrorists. The dark web can be used by criminals and terrorists to trade drugs, weapons, false travel documents and cryptocurrencies for illicit activity. One particular website frequently used by Western nationals to transfer Bitcoin to Jihadis was called "Fund the Islamic Struggle Without Leaving a Trace", referencing the anonymity of cryptocurrency trading. It is likely that using cryptocurrency to finance terrorism will continue to increase, with the possibility of it becoming a part

replacement for Hawala, an informal method of transferring funds without money physically changing hands. An advantage of moving from Hawala to cryptocurrencies is that this method no longer relies on trust between Hawala dealers. Cryptocurrencies are simply transferred directly and anonymously between individuals, removing the middleman. It is therefore a realistic possibility that cryptocurrencies will mean higher amounts are transferred between terrorists and are less likely to be detected. The lack of any financial institutions required to facilitate cryptocurrency transfers, particularly when these are high in value, makes intercepting such transfers increasingly difficult.

The use of cryptocurrencies for terrorist financing (continued)

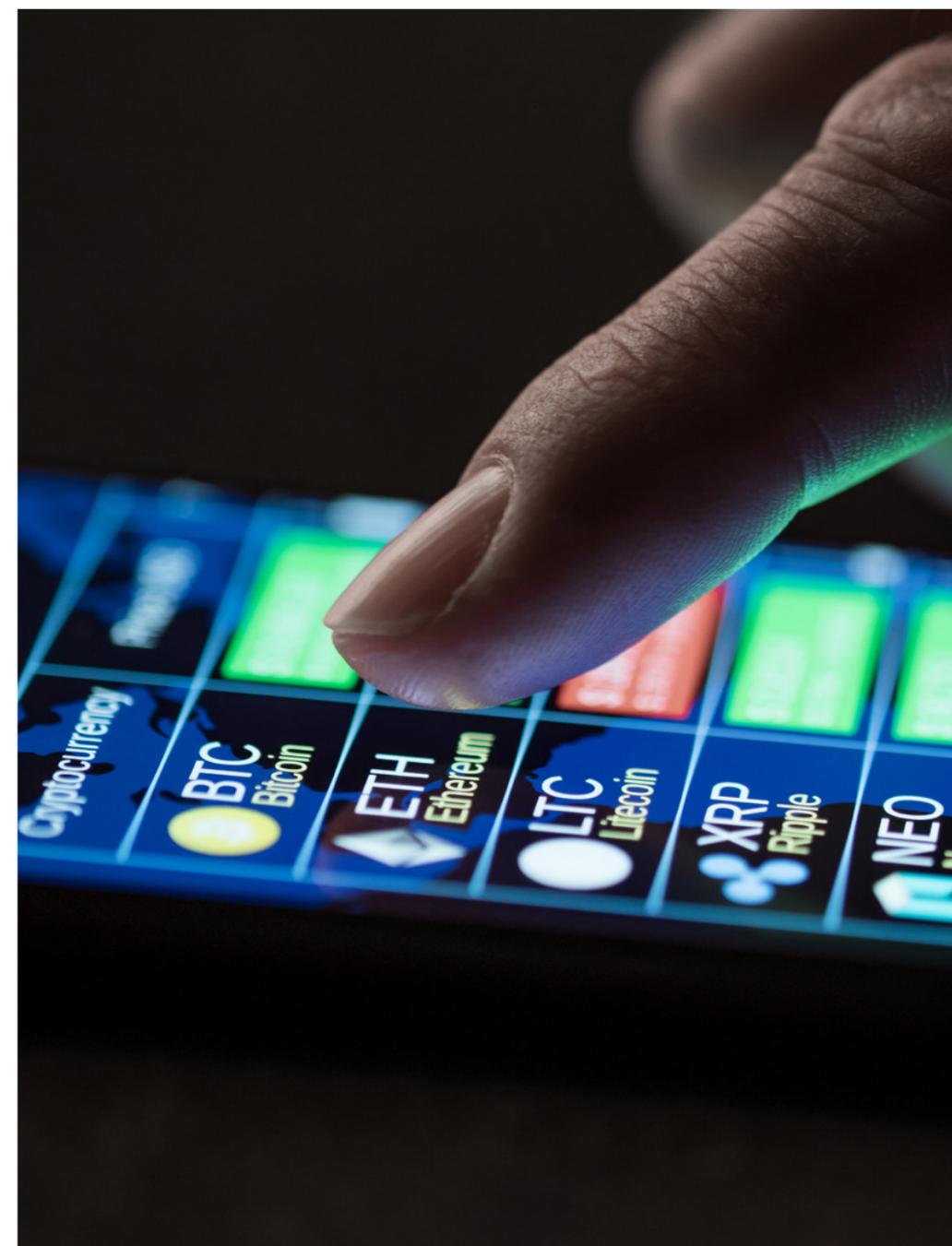
In September, Hisham Choudhary in Leicestershire was jailed for 12 years after being found guilty of seven offences under the Terrorism Act, some related to funding terrorism through cryptocurrencies. Choudhary had allegedly been a member of Daesh since 2016 and was trusted and active within the terrorist group. His trading history indicated he had converted around £55,000 into Bitcoin to send to Daesh, including one transaction of approximately £5,000 to break a jihadi bride out of the notorious Al Hol detention camp. He transferred a total of £16,000 in 2018, and £35,000 in 2019, to unidentified recipients which he claimed to be humanitarian causes. However, police found a Telegram message Choudhary sent in October

2019 stating “This is the best way. We have been doing this for years and no-one has been caught by the virtue of Allah”. This demonstrates the intent by those involved in terrorism to use cryptocurrency to fund extremist groups and future attacks.

The value of the cryptocurrency sent to terrorist organisations over prolonged periods of time by the individuals mentioned above, indicates the dangers cryptocurrencies present to Counter Terrorism efforts. The difficulties in tracking and intercepting cryptocurrency transfers mean that such funds can be used by terrorists to plan attacks and obtain false travel or identification documentation, as well as financing other terrorist activities. Terrorist groups can use cryptocurrencies

to pay for illicit services, weapons or documentation from organised crime groups, all part of the symbiotic relationship which exists between extremist groups and criminals.

It is highly likely that individuals will continue to use cryptocurrency platforms to finance terrorism in the long term. It is also likely that police and MI5 will identify other offenders during future investigations that have been using this financing method for several years. Therefore, it is important that laws surrounding cryptocurrencies and terrorist funding are regularly reviewed, and cryptocurrency platform owners should be actively encouraged to implement their own measures to monitor for terrorist financing and to report any suspicious activity to police.



However, while a change in UK policy regarding cryptocurrency has been long anticipated, it is unclear what this will look like. As most cryptocurrencies fall within the currently unregulated token category, the UK's Financial Conduct Authority (FCA) do not regulate any cryptocurrency exchanges and are limited to advising consumers as opposed to providing protection. It is unlikely that the FCA will move to fully regulate cryptocurrencies, however it is a realistic possibility that some form of regulation may be introduced. In particular, this regulation is likely to relate to financial promotion and advertisement, to bring crypto-related activities more in line with the FCA's remit in the long term.

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Poisons Act updated in the aftermath of the Liverpool incident

On 16 December, following the Liverpool incident in November, the Home Secretary Priti Patel announced a number of proposed new amendments to the Poisons Act 1972. These proposed amendments will make it harder for terrorists to construct large, viable improvised explosive devices (IEDs), which are proven to cause mass casualties and significant property damage. By limiting the size of devices that terrorists are able to successfully construct, the amendments will help to mitigate the threat from terrorist use of IEDs. However, dependent on the new legislation, it may still be possible for terrorists to

construct multiple smaller devices, using lower quantities of precursor chemicals, which will reduce the lethality (but perhaps not the frequency) of this attack methodology.

The UK already has a number of strict controls in place. The Poisons Act was previously amended in 2018, increasing restrictions on further precursor chemicals and updating the licensing requirements when purchasing these chemicals. However, in November 2021, Al Swealmeen was able to discreetly gather enough precursor chemicals in the several months prior to his attack outside Liverpool Women's Hospital



One of the ingredients used by terrorists to make HMTD.

to successfully construct a device. His ability to do so underlines the need to impose further restrictions on the sale of such chemicals to mitigate the risk of further attacks involving explosives in the future.

A complete ban on precursor chemicals used in IEDs is unrealistic. These chemicals have a number of legitimate uses and therefore, any changes in the law will need to balance the need to protect the public and allow legitimate use of these types of chemicals.

It is understood that proposed changes to the Act will require suppliers of precursor chemicals to verify the intended use of these chemicals, prior to a sale. They will also be required to report any suspicions they have within 24 hours. A further amendment could see limits placed on the concentrations of certain

chemicals, to make obtaining enough material to build a viable device more difficult to do whilst avoiding detection.

As previously highlighted by Pool Re Solutions, terrorist use of precursor materials to construct IEDs remains likely. However, changes to the law restricting the purchase of precursor chemicals will help mitigate the risk of the use of IEDs by terrorists in the future. This will limit the risk of property damage to Pool Re policy holders as a result of an IED attack, as well as preventing mass casualties as witnessed at the Manchester Arena in 2017.

Five arrested in Finland's first right-wing terrorism plot

On 03 December, in the first case of suspected right-wing terrorism in Finland, five men believed to be planning a bomb and gun attack were arrested, following a two-year-long surveillance operation by police. A significant number of firearms, ammunition, and explosives connected to these individuals had been recovered by police in 2019, which instigated this long-term investigation, supported by Europol.

Police believe the motivation of these five men to be "accelerationism"; a form of white supremacist ideology linked to mass shootings in the US. Those motivated by accelerationism aim

to spread and promote inter-racial tensions and further divisions within society. However, whilst the motivation is known, Finnish police have not disclosed the intended target of the disrupted plot.

The five men arrested are not suspected of being members of an extremist organisation. Instead, they are described as a small, independent group. Typically, incidents of this nature have involved small independent groups or lone actors, rather than large organisations, a characteristic of the type of right-wing extremism seen in Europe. This is likely to increase, particularly as incidents of right-wing



Five far-right extremists suspected of planning a terrorist bomb and gun attack have been remanded in custody in Finland, police said on December 3, 2021. A significant quantity of guns, ammunition and explosives were recovered during a home search. Photo by JUHA SINISALO/LEHTIKUVA/AFP via Getty Images.

terrorism are rising across Western countries, including Europe. Europol reported that in 2018 only one incident of right-wing terrorism was reported by an EU member state, rising to six incidents reported in 2019 by three member states.

Nonetheless, it is important to remember, that whilst the number of right-wing terrorism incidents are rising, they still only make up a very small fraction of the overall number of terrorism incidents across the world. Nonetheless, given the recent reports highlighting the increasing number of right-wing related referrals to the UK's Prevent programme, it is a realistic possibility the UK will see more right-wing attacks in the future.

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Understanding risk, enabling resilience

Whilst the human cost of terrorism is devastating, the financial impact an incident can have on communities, businesses and economies is generally greater than most realise.

At Pool Re we understand that terrorism is a significant multi-faceted peril that can expose businesses in a complex way. Like many other catastrophic perils, terrorism is a challenge which requires a collaborative approach.

We have been the UK's leading terrorism reinsurer for over a quarter of a

century. During this time our *SOLUTIONS* division have developed a specialist team of experts who can work with you to help you and your Policyholders understand and manage the terrorism threat.

We believe all organisations and businesses can benefit from a better understanding of the terrorism risk solutions available.

To find out more about Pool Re *SOLUTIONS* and how your organisation can take advantage of this service please contact us at: **solutions@poolre.co.uk**

Threat level

	Critical: an attack is highly likely in the near future	Severe: an attack is highly likely	Substantial: an attack is likely	Moderate: an attack is possible but not likely	Low: an attack is highly unlikely
Threat from terrorism to the UK:	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Threat from Northern Ireland related terrorism to Northern Ireland:	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Government advice

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