

# THE ISRAEL-HAMAS WAR: CRYPTO ASSETS FINANCING HAMAS



SIMON  
WIESENTHAL  
CENTER



# INTRODUCTION

On October 7, 2023, Hamas, the Palestinian Islamist terrorist group, conducted a series of coordinated attacks on multiple Jewish communities, launching the 2023 Israel-Hamas War. Over the course of the day, over 1,200 Israelis were murdered in their homes, at kibbutzim and a music festival. Approximately 200 Israelis and citizens of over 25 nations are being held as hostages at the time of writing. The attacks were launched during the Jewish Sabbath, and during the Jewish Festival of Simchat Torah and marked the deadliest day in the history of Israel, and the most lethal attack against the Jewish people since the Nazi Holocaust.

Hamas' crimes against humanity that day include mass murder, rape, kidnapping, torture, slaying of entire families in their homes, executing children in front of their parents, and parents in front of their children, the slaughter of 40 Israeli infants in one community, hostage-taking and deploying human shields.

Despite or perhaps because of the unspeakable barbarity of their acts, terrorist Hamas, an Iranian proxy, and its affiliates have been taking advantage of the October 7th massacre and continued attacks, to raise their profile internationally. They have been engaged in significant fundraising to finance and sustain the continuation of their terror operations in pursuit of their ultimate goal – the destruction of the State of Israel. As Hamas senior officials call for support, multiple fundraising and charity drives were launched to solicit donations on social platforms through online payment services like *PayPal* and UK-based **Wise** (formerly TransferWise), cryptocurrency platforms, charities, and direct-deposit accounts at financial institutions.

With the outbreak of war, these social media fundraising crusades for Hamas-affiliates and Palestinian organizations have proliferated via platforms such as *X, Telegram, Facebook, Instagram, TikTok*, and others. The campaigns urge the public to deposit traditional currency and cryptocurrencies into its accounts for various purposes, including non-profit organizations supposedly intended to aid Gazans.

The Simon Wiesenthal Center's (SWC) Digital Terrorism and Hate Project monitors the social media activities of over 2,000 Palestinian groups and Hamas entities, and the list is growing daily. The SWC has been tracking and monitoring digital assets and fundraising campaigns of Hamas and other terrorist entities operational in Israel and elsewhere.<sup>1</sup>

## CRYPTO FUNDRAISING



*Figure 1: screen capture pre-Oct 7 Hamas affiliate website.*

Cryptocurrencies are digital tokens which enable people to make payments through an online system. Cryptocurrencies are stored in digital wallets which can be accessed from anywhere in the world, enabling the wallet holder to make purchases, donations, and

<sup>1</sup>[www.digitalhate.net](http://www.digitalhate.net)

withdrawals. Cryptocurrency exchanges and platforms act like traditional banks, providing the option to sell and transfer the resulting funds (in traditional currency forms) directly to a linked account held at a conventional financial institution. Hamas and other terrorist groups have been exploiting crypto assets for an ever-growing range of objectives including sanctions evasion, public fundraising, and internal value transfers. Since at least early 2019, the Izz-Al Din-Al Qassam Brigades, Hamas' military arm, has attempted to use cryptocurrencies as an alternative fundraising method to support its military operations. Hamas initially tested cryptocurrency fundraising by soliciting Bitcoin donations on its *Telegram* channel and other social platform sites, before shifting to direct fundraising on its Al Qassam website.<sup>2</sup>

Israel has consistently taken measures to restrain Hamas' fundraising efforts on social platforms, specifically in the realm of cryptocurrencies. On October 16th, the cryptocurrency issuer Tether, in collaboration with Israel's National Bureau for Counter Terror Financing, stated it had frozen funds in 32 cryptocurrency addresses linked to terrorism in Israel and Ukraine (approximately US \$873,118 in assets), and that it was working with Israel's National Bureau for Counter Terror Financing. By freezing the wallet, the user cannot withdraw funds until the restriction is lifted. Seizing wallet assets permanently prevents any withdrawals.

Palestinian Islamic Jihad (PIJ) is a Palestinian terrorist organization committed to the total destruction of Israel, currently supporting Hamas in the recent conflict. PIJ received in excess of \$93 million in

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<sup>2</sup><https://www.forbes.com/sites/digital-assets/2023/10/17/hamas-struggles-to-earn-crypto-but-raises-money-in-other-ways/?sh=53715717998e>

<sup>3</sup><https://www.coindesk.com/business/2023/10/16/tether-freezes-32-addresses-linked-to-terrorism-and-warfare-in-israel-and-ukraine/>

cryptocurrency between August 2021 and June 2023. Hamas received about \$41 million in the same timeframe.<sup>4</sup> Cryptocurrency is often seen as a subterfuge financing method for terrorist groups and rogue nations cut from the global financial system.<sup>5</sup> However, it should be noted that crypto assets, are not the main source of financing for Hamas and affiliated groups such as PIJ and Lebanon-based Hezbollah. Iran is by far their largest funding source to the tune of over \$100 million USD per annum.<sup>6</sup> Qatar is also a major funder of Hamas, with assets often funneled through charities.<sup>7</sup> Lawsuits in the United States have accused top banks and charities in Qatar of financing Hamas and other terrorists, highlighting the implications of Hamas' fundraising campaigns.<sup>8</sup>

Digital assets provide a degree of user anonymity and allow for cross-border financial transfers, which typically are not tightly regulated by international authorities. Since Hamas has been designated a terrorist entity by the US, the EU, and Western countries, it faces economic sanctions, including exclusion from the global banking system. On October 18, 2023 additional Hamas affiliates were subject to sanctioning. The sanctions included a Gaza-based crypto business, called "Buy Cash Money and Money Transfer Company" (Buy Cash),

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<sup>4</sup><https://www.businesstoday.in/personal-finance/news/story/is-israel-hamas-conflict-impacting-the-cryptocurrency-market-here-is-what-investors-must-know-402248-2023-10-17>

<sup>5</sup><https://www.coindesk.com/consensus-magazine/2023/10/11/hamas-has-raised-millions-in-crypto-donations-wsj/>

<sup>6</sup><https://www.washingtoninstitute.org/policy-analysis/hezbollah-finances-funding-party-god>

<sup>7</sup><https://www.france24.com/en/middle-east/20231014-qatar-iran-turkey-and-beyond-the-galaxy-of-hamas-supporters>

<sup>8</sup>[https://www.washingtonpost.com/local/legal-issues/lawsuits-by-us-victims-accuse-top-qatar-banks-and-charity-of-financing-terrorism-in-israel/2020/12/15/4e7e7fe-244a-11eb-a688-5298ad5d580a\\_story.html](https://www.washingtonpost.com/local/legal-issues/lawsuits-by-us-victims-accuse-top-qatar-banks-and-charity-of-financing-terrorism-in-israel/2020/12/15/4e7e7fe-244a-11eb-a688-5298ad5d580a_story.html)

which provides money transfer and virtual currency exchange services, including the cryptocurrency Bitcoin.<sup>9</sup>

As crypto markets expand and increase, Hamas has transitioned to the use of digital assets to manage its finances. Over the years and prior to the massacre of October 7th, Hamas digital assets have been frozen and seized by Israeli governmental officials. Hamas and its al-Qassam Brigades are among the most successful terrorist initiators of crypto asset-based fundraising.

Since October 7th, Lahav 433 (Israeli Police cybercrime unit) has been working with the Israeli Ministry of Defence, Shin Bet, and other intelligence services to shut down the cryptocurrency channels being used by Hamas.<sup>10</sup> Despite their efforts, new Hamas and supporter wallets are constantly emerging. Moreover, Israeli police said they froze a Barclays bank account that linked to Hamas fundraising and blocked cryptocurrency accounts used to gather donations, without specifying how many accounts or the value of the assets.<sup>11</sup>

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<sup>9</sup>[https://www.reuters.com/world/us-issues-hamas-related-sanctions-us-treasury-website-2023-10-18/#:~:text=WASHINGTON%2FLONDON%2C%20Oct%2018%20\(,cryptocurrency%20exchange%20among%20other%20targets.](https://www.reuters.com/world/us-issues-hamas-related-sanctions-us-treasury-website-2023-10-18/#:~:text=WASHINGTON%2FLONDON%2C%20Oct%2018%20(,cryptocurrency%20exchange%20among%20other%20targets.)

<sup>10</sup>[https://www.timesofisrael.com/liveblog\\_entry/israel-shuts-down-hamas-cryptocurrency-accounts/](https://www.timesofisrael.com/liveblog_entry/israel-shuts-down-hamas-cryptocurrency-accounts/)

<sup>11</sup><https://www.trmlabs.com/post/in-wake-of-attack-on-israel-understanding-how-hamas-uses-crypto>

<sup>11</sup><https://www.reuters.com/world/middle-east/israel-freezes-barclays-bank-account-linked-hamas-fundraising-2023-10-11/>



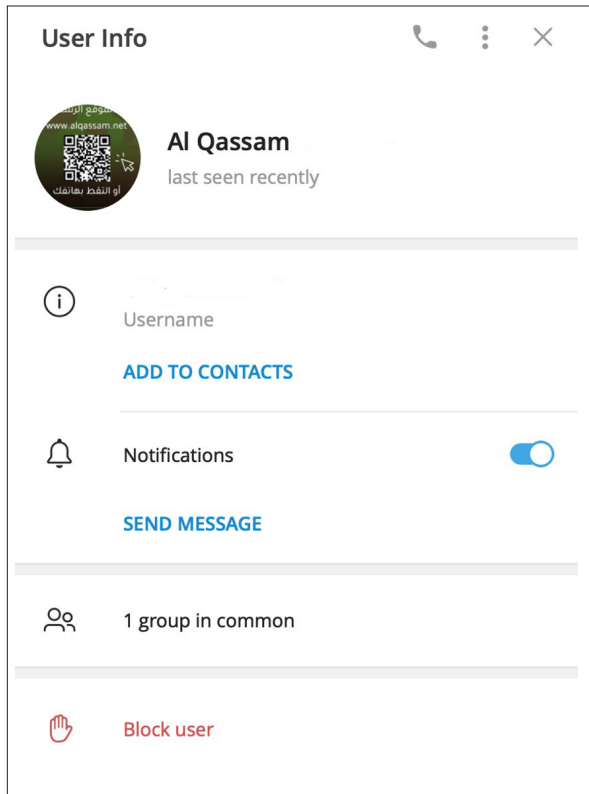
**Figure 2**  
Fundraising QR code for Hamas from Telegram.

Fundraising campaigns have been promoted on private *Telegram* channels catering to Hamas supporters, and in a private invitation-only *Telegram* channel. Additionally, self-contained campaigns have been established requiring interested parties to send private messages to specified individuals.



**Figure 3** Private inquiry to Telegram channel regarding donating funds

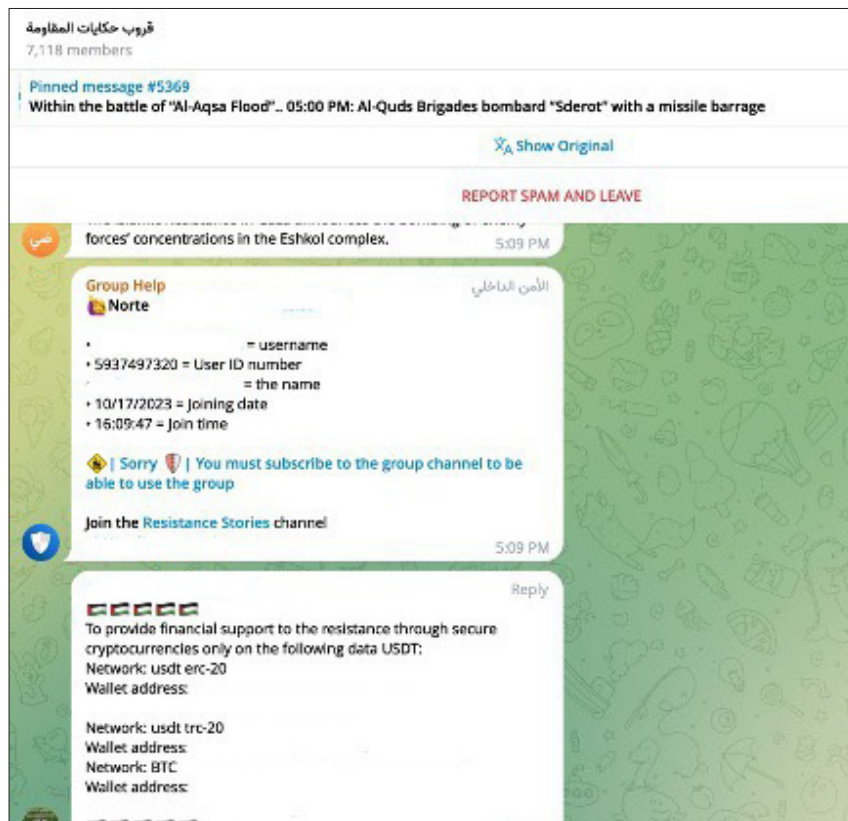
Some post-October 7<sup>th</sup> crypto asset fundraising campaigns have raised tens of thousands of dollars. Included in the images below are the tip of the iceberg; just a small percentage of campaigns SWC has uncovered.



**Figure 4**  
Private funding contact from Telegram



*Figure 5*  
*QR code for donations.*



*Figure 6* Fundraising campaign on Telegram.





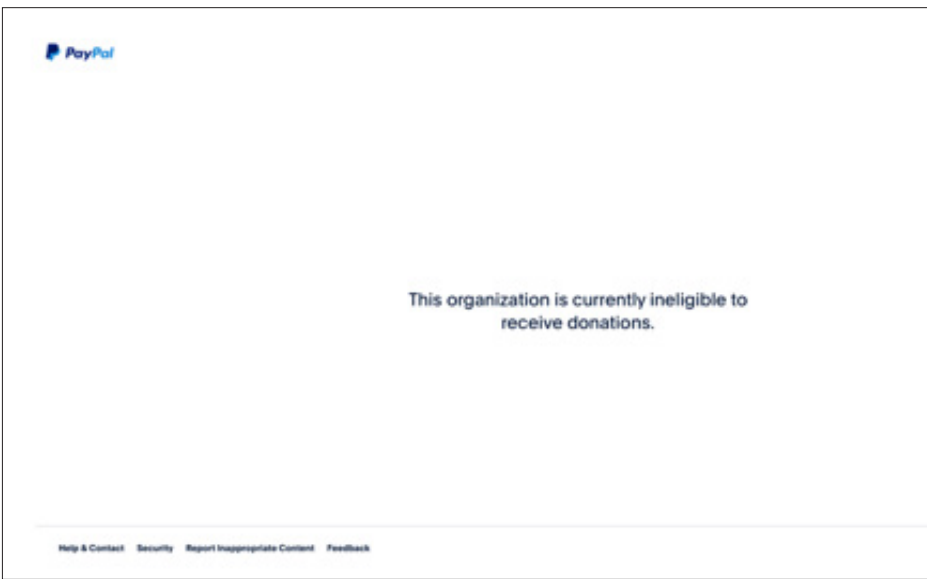
**Figure 7**

*Hamas-affiliate Telegram campaign for donations.*

## PAYPAL

US-based *PayPal* operates under strict regulation, yet some accounts intended for donations to Hamas and other affiliated organizations transferred through the *PayPal* platform are still active. However, *PayPal* is collaborating with Israeli financial technology companies and cryptocurrency authorities to hinder financial transfers to terrorist entities like Hamas and PIJ.<sup>12</sup>

<sup>12</sup><https://en.globes.co.il/en/article-tech-experts-battle-to-shut-down-gaza-financial-pipeline-1001459859>

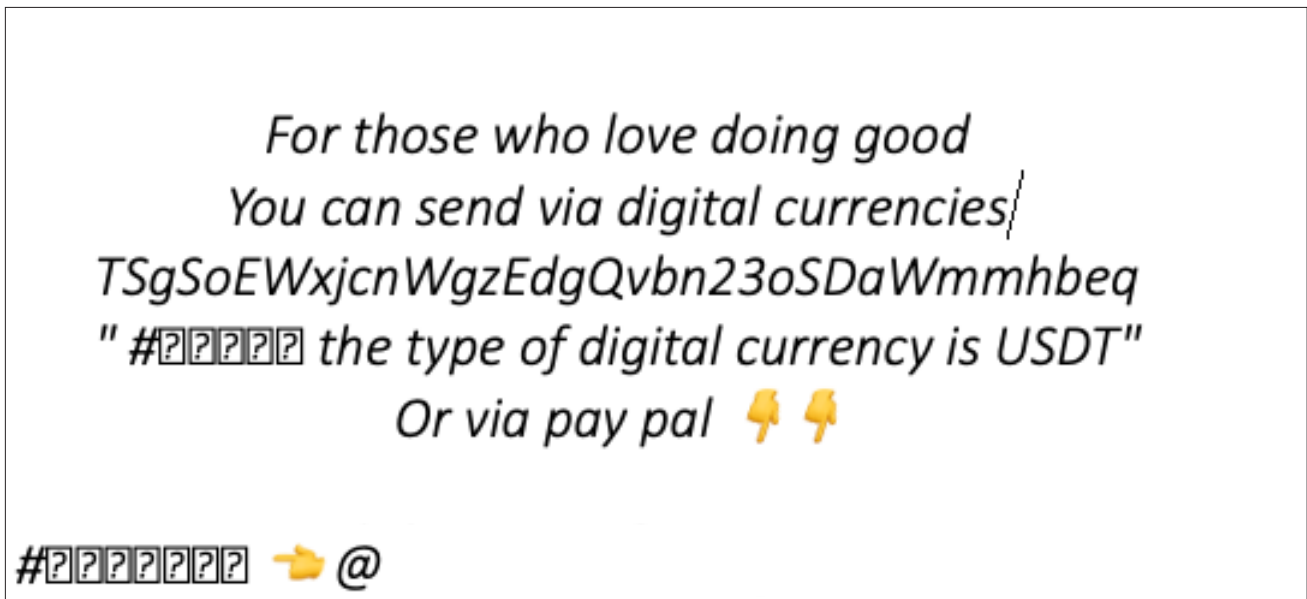


**Figure 8**

*Hamas fundraising campaign closed by PayPal.*

## CHARITIES

Prior to October 7th, *PayPal* ceased relations with the charity, Alliance for Global Justice, a US-based non-profit with ties to Popular Front for the Liberation of Palestine (PFLP) and Hamas-affiliate Palestine Islamic Jihad.<sup>13</sup> Despite their efforts, fundraising campaigns like the following, have been promoted and cross-promoted across multiple social platforms.



<sup>13</sup><https://www.washingtonexaminer.com/news/house/paypal-payment-processor-drop-palestinian-terror-tied-group>

<https://www.jpost.com/business-and-innovation/banking-and-finance/article-756754>

Charities have been raising funds eventually to be funneled to the Hamas war-machine. This has raised concerns about the impact on charities working in Gaza and financial institutions, with potential implications for the bank accounts of legitimate charities engaged in aid work in the region.<sup>14</sup> For example, Kudus Vakfi, a registered Turkey-based NGO led by current and former leaders of the US sanctioned Al Aqsa Foundation in Europe, is engaged in post-October 7th fundraising campaigns for Hamas through Gaza causes,. Using social platforms, Kudus Vakfi has been soliciting funds through *PayPal* and an account with a Netherlands-based bank.



**Figure 9**  
*Kudus Vakfi fundraising page*

Another charity, the Al Khair Foundation, a UK-based charity with a branch in Turkey, is soliciting donations for Gaza. Donations are accepted through the organization's website with options to pay using

<sup>14</sup><https://www.middleeasteye.net/news/palestine-uk-hamas-aid-gaza-affected>

PayPal, Microsoft Pay or cryptocurrencies. Management of Al Khair are Hamas-affiliates.<sup>15</sup>

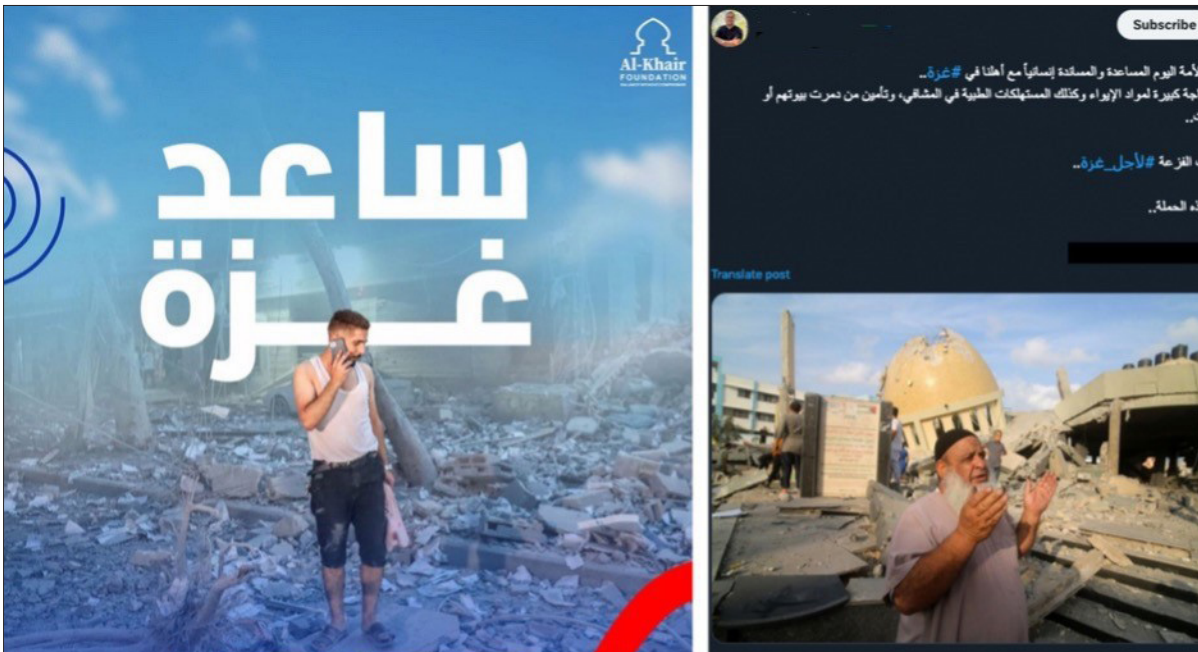


Figure 10 Al Khair Foundation fundraising X.com

In a speech streamed on various *Telegram* and *WhatsApp* groups including multi-platform GazaNow, Khalid Mashal, a senior leader and founding member of Hamas, praised the October 7th attacks, and called for political and financial support, which he described as “financial jihad.” He implored that “Gaza is calling on you to rescue it, with aid and money and all you have to offer. This is a true moment of need.” He then stated: “This is financial jihad, just as others are offering themselves up for jihad. Offer support to Gaza, to its resistance, and to its heroes. Reward them for the destruction... Do not let your brothers down”.<sup>16</sup>

<sup>15</sup><https://brief.kharon.com/updates/hamas-linked-networks-mobilize-crowdfunding-campaigns-following-attacks-on-israel/>

<sup>16</sup><https://brief.kharon.com/updates/hamas-linked-networks-mobilize-crowdfunding-campaigns-following-attacks-on-israel/>



**Figure 11**  
*GazaNow.*

## GAZANOW

*GazaNow*, a Palestinian online news outlet and one of several Hamas-affiliated organizations, is actively soliciting donations online in support of Gaza following the attacks on Israel.<sup>17</sup>

*GazaNow* lauded the actions of Hamas and the kidnapping of Israeli soldiers and civilians on October 7th, and immediately launched several fundraising campaigns on social media.

*GazaNow* shared an additional fundraising campaign on *Telegram*, in collaboration with the UK-based Al-Qureshi Executives. According to the post, donations were to be directed to a UK-based bank account.

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<sup>17</sup>GazaNow solicits funds to support Hamas activities. They have a large UK and US-based following.

WAR ON GAZA


# EMERGENCY

Donations Needed

"Indeed, the righteous will be in the Paradise Gardens and Springs  
Accepting what their Lord has given to them. Indeed, they were before that [on earth] good-doers."




**"And from their wealth [they give a] right [from that wealth] to those who ask for it and to  
the deprived [who are unable to ask for it]."**

"And in the Heavens are your benefits and whatever you are promised.  
Then by the Lord of The Heavens and The Earth, indeed, this is the absolute Truth - as true as what  
you [Mohammad ﷺ] speak." (Qur'an, Adh-Zariyat 51:15-18, 19, 22-23)



President of Al-Qureshi Executives  
aakhirah

our partners  
in Gaza:

News Media

**Gaza is in need of EMERGENCY medication, food and shelter. Please help by sending your donations to:**

Bank: 
- Account Name: **aakhirah**
- Sort Code: 
- Account No.: 
- Ref: **EMERGENCY**

*Figure 12 Fundraising campaign shared on Telegram.*

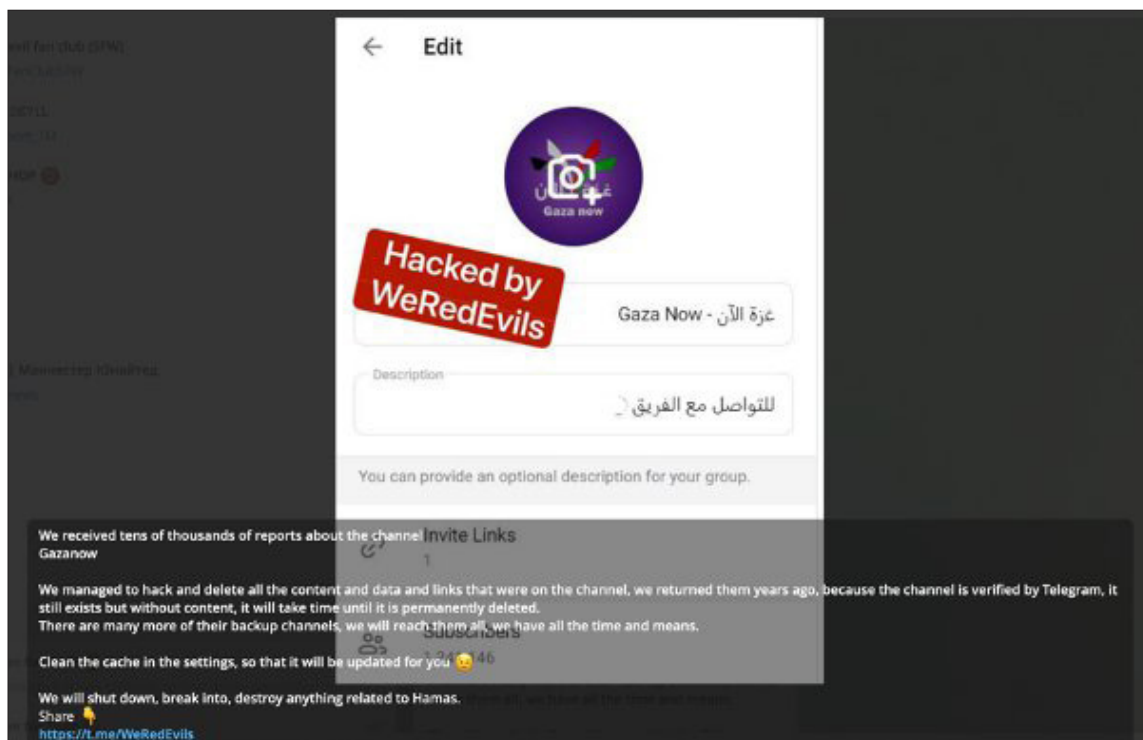
*GazaNow's* now-defunct *YouTube* channels provided direction on fundraising efforts and locations. In total, cryptocurrency addresses used by *GazaNow* had a total incoming and outgoing volume of about \$6000 USD following the attacks on October 7<sup>th</sup>, and about \$6 million USD overall. Notably between August 2021 and July 2022, a *GazaNow* address received \$12,000 from terrorist group, Palestine Islamic Jihad. The address, which was first active in August 2021, has received nearly \$800,000 in total and less than \$5000 worth of crypto since the attacks.<sup>18</sup>

<sup>18</sup><https://www.elliptic.co/blog/how-hamas-has-utilized-crypto-and-what-may-be-coming>



*Figure 13 GazaNow fundraising as seen on Instagram.*

Israeli hacker group Red Evils became aware of the *GazaNow* fundraising efforts; defacing, seizing and hacking all *GazaNow* platforms to block their campaigns.



*Figure 14 GazaNow hacked by Israeli hacker group.*

## CONCLUSION

The Simon Wiesenthal Center works collaboratively with law enforcement and government officials, providing valuable data. However, it is critical that measures to counter the financing of Hamas and other terrorist organizations are adopted during this period of warfare, and beyond. Measures could include: increased sharing of information between private actors and authorities, greater cooperation between administrative and legal entities, and increased professional scrutiny through investigative practices.<sup>19</sup> Civil society organizations, law enforcement and government cooperation in cryptocurrency markets and cybersecurity domains is critical for tracking and hindering funds.<sup>20</sup>

The violent activities of Hamas and its affiliates have been used as propaganda to raise funds for their operations, with the end goal of destroying Israel. These fundraising efforts are extensive and sophisticated, utilizing social platforms, online payment services, cryptocurrencies, charities, and non-profit organizations. The international community needs to be vigilant and take action to counter this threat and work proactively to counter such activity from all terrorist entities in the future.

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<sup>19</sup><https://link.springer.com/article/10.1007/s12117-022-09455-0>

<sup>20</sup>Cynthia, David Manheim, and Patrick B. Johnston, *Terrorist Use of Cryptocurrencies: Technical and Organizational Barriers and Future Threats*. Santa Monica, CA: RAND Corporation, 2019. [https://www.rand.org/pubs/research\\_reports/RR3026.html](https://www.rand.org/pubs/research_reports/RR3026.html).