Treasury Targets Belize-Based Operatives of Chapo Guzman

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Sanctions Directed Against the John Zabaneh Drug Trafficking Organization

Linked to the Sinaloa Cartel

WASHINGTON – The U.S. Department of the Treasury’s Office of Foreign Assets Control (OFAC) today announced the designation of John Zabaneh and two members of his drug trafficking organization, who are based in Belize and are key associates of Joaquin “Chapo” Guzman Loera, and other members of the Sinaloa Cartel. The action also includes the designation of five companies in Belize that are owned or controlled by John Zabaneh or members of his organization. Today’s action, pursuant to the Foreign Narcotics Kingpin Designation Act (Kingpin Act), prohibits U.S. persons from conducting financial or commercial transactions with these individuals and companies, and also freezes any assets they may have under U.S. jurisdiction.

“John Zabaneh’s drug trafficking activities and his organization’s ties to Colombian sources of supply and Mexican buyers make him a critical figure in the narcotics trade,” said OFAC Director Adam J. Szubin. “By designating Zabaneh, OFAC is disrupting those activities and continuing its efforts, alongside those of our law enforcement partners, to expose operatives of Chapo Guzman and the Sinaloa Cartel, including their businesses.”

OFAC is designating John Zabaneh for the prominent role that he and his organization play in narcotics trafficking in Central America, particularly Belize, as well as their role in the drug trafficking operations of Chapo Guzman and the Sinaloa Cartel. John Zabaneh and his organization have been involved in narcotics trafficking since the 1980s. In addition to the designation of John Zabaneh, today’s action includes the designation of his nephew, Dion Zabaneh, and a close associate, Daniel Moreno. The action also includes the designation of five companies owned or controlled by John Zabaneh or Daniel Moreno. Zabaneh’s companies are Mayan King Limited (banana farm), Mid-South Investments Limited (building contractor and property consultant), Crown Paradise Enterprises Limited (resort management and marina), and Belize Chemicals Limited (pharmaceuticals). Moreno’s company is D’s Supermarket Company Limited (grocery store).

Today’s action would not have been possible without the key support of the Drug Enforcement Administration.

“DEA and its partners continue our sustained attack on brutal criminal regimes such as the Sinaloa Cartel and its leadership and those who help facilitate their drug and money networks,” said DEA Chief of Financial Operations John Arvanitis. “The OFAC Designation of the Zabaneh organization is necessary to dismantle and further disrupt the operations of the Sinaloa Cartel in other parts of the world.”

Guzman Loera and the Sinaloa Cartel were identified by the President as significant foreign narcotics traffickers pursuant to the Kingpin Act in 2001 and 2009, respectively.

Internationally, OFAC has designated more than 1,100 businesses and individuals linked to 97 drug kingpins since June 2000. Penalties for violations of the Kingpin Act range from civil penalties of up to $1.075 million per violation to more severe criminal penalties. Criminal penalties for corporate officers may include up to 30 years in prison and fines up to $5 million. Criminal fines for corporations may reach $10 million. Other individuals could face up to 10 years in prison and fines pursuant to Title 18 of the United States Code for criminal violations of the Kingpin Act.

To view a chart of the Zabaneh organization click here.

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