

U.S. DEPARTMENT OF THE TREASURY

Press Center



Treasury Announces New Sanctions Against Iran

5/31/2013

Actions Target the Iranian Petrochemical Industry as well as the Iranian Regime's Attempts to Evade Sanctions and Support Terrorism

WASHINGTON – As part of its ongoing efforts to intensify sanctions pressure on Iran, today the Department of the Treasury took a series of related actions to disrupt efforts to evade sanctions on the Iranian regime.

The Treasury Department today sanctioned a company that has aided Iran's efforts to evade sanctions by attempting to conceal oil transactions with the Government of Iran and an aircraft procurement network supporting Iran's airlines that previously have been sanctioned for involvement in Iran's support for terrorism around the world. These actions, which were taken under a number of different authorities, apply sanctions to companies operating in several countries that are aiding Iran's support for terrorism and the violence being perpetrated by the Assad regime in Syria, as well as schemes that seek to bolster Iran's dwindling oil sales by deceptively introducing its crude onto the international market.

Additionally, the Treasury Department, acting in concert with the Department of State, took action today to target Iran's petrochemical industry. As Iran's oil revenues continue to fall due to international sanctions, the Iranian government has increasingly turned to other industries to make up for lost profits. One of these sectors is the petrochemical industry, which is now the second largest source of revenue for the Iranian Government. The Administration is taking action today to target this revenue stream by both designating companies involved in transactions with the sector and identifying several petrochemical companies as subject to sanctions because they are controlled by the Iranian government.

"We are committed to intensifying the pressure against Iran, not only by adopting new sanctions, but also by actively enforcing our sanctions and preventing sanctions evasion. Today's actions take aim at revenues from Iran's petrochemical sector, as well as deceptive schemes Iran has employed in an effort to evade sanctions on its oil sales and its airlines," said Treasury Under Secretary for Terrorism and Financial Intelligence David S. Cohen. "We will continue to work with our partners around the world to ensure that the sanctions pressure on Iran builds so long as Iran continues to defy its obligation to comply with its international obligations."

Targeting Sanctions Evaders

Treasury imposed sanctions on Cyprus and Ukraine-based Ferland Company Limited (Ferland) because it has facilitated deceptive transactions for or on behalf of the National Iranian Tanker Company (NITC), which was identified by Treasury as a Government of Iran entity in July 2012. This Treasury action is the first use of sanctions pursuant to Executive Order (E.O.) 13608, which targets Foreign Sanctions Evaders, including those that facilitate deceptive transactions for or on behalf of persons sanctioned in connection with Iran or Syria. As a result of Treasury's action, transactions with Ferland that are subject to U.S. jurisdiction are generally prohibited, including transactions by U.S. persons, wherever located.

In March 2013, Ferland and NITC cooperated in a scheme to sell Iranian crude oil deceptively in order to help Iran evade international sanctions which also involved a vessel owned by Dimitris Cambis. The scheme involved ship-to-ship transfers of oil between three oil tankers: Blackstone, a NITC vessel, Zap, a vessel controlled by Dimitris Cambis, and Aldawha, which was chartered by Ferland. Treasury identified Cambis and his business network, which includes the Zap and other vessels, as working on behalf of Iran in March 2013. For details on that action click here. The Blackstone conducted a ship-to-ship transfer of oil with the Zap on March 12. The Zap then conducted a ship-to-ship transfer of oil, between March 15 and 17, with the Aldawha off Khor Fakkan, United Arab Emirates (U.A.E.). The details of the ship-to-ship operations were arranged by a NITC manager and a representative of Ferland. Ferland later furnished a falsified certificate of origin as part of its cargo documentation, claiming that the crude oil loaded onto the Aldawha was a "product of Iraq."

The Department of State is taking concurrent action today by imposing sanctions on Ferland under the Iran Sanctions Act (ISA), as amended by the Iran Threat Reduction and Syria Human Rights Act of 2012 (TRA). The ISA sanctions selected by the State Department for Ferland prohibit visas for corporate officers, loans from U.S. financial institutions, financial transactions subject to U.S. jurisdiction, transactions with respect to property and interests in property under U.S. jurisdiction, and foreign exchange transactions subject to U.S. jurisdiction.

Petrochemical Companies

The Treasury Department is also identifying eight Iranian petrochemical companies that are owned or controlled by the Government of Iran, including Bandar Imam Petrochemical Company, Bou Ali Sina Petrochemical Company, Mobin Petrochemical Company, Nouri Petrochemical Company, Pars Petrochemical Company, Shahid Tondgooyan Petrochemical Company, Shazand Petrochemical Company, and Tabriz Petrochemical Company. These identifications made pursuant to E.O. 13599, which targets the government of Iran.

The Department of State also sanctioned two companies for knowingly engaging in a significant transaction for the purchase or acquisition of petrochemical products from Iran.

Aircraft Procurement and Support Network

Today, the Department of the Treasury also designated key companies and individuals located in Kyrgyzstan, Ukraine and the U.A.E. that are leasing and selling aircraft to Mahan Air and Iran Air as they attempt to circumvent sanctions and support Iran's worldwide illicit activities. Mahan Air was designated in October, 2011 pursuant to E.O. 13224 for providing financial, material and technological support to Iran's Islamic Revolutionary Guard Corps-Qods Force (IRGC-QF) and has transported personnel, weapons and goods on behalf of Lebanese Hizballah. Iran Air was designated pursuant to E.O. 13382 in June 2011 for providing support and services to Iran's IRGC, Ministry of Defense and Armed Forces (MODAF), and Iran's Aerospace Industries Organization (AIO).

Kyrgyzstan-based Kyrgyz Trans Avia (KTA), Ukraine-based Ukrainian-Mediterranean Airlines (Um Air) and Bukovyna Airlines and UAE-based Sirjanco Trading L.L.C. have served as intermediaries for the acquisition of aircraft by Mahan Air and Iran Air as Iran continues to move illicit cargo to Syria for the Assad regime's violent crackdown against its own citizens. Some of the aircraft supplied by this network are used, interchangeably, to move suspected illicit cargo to the Syrian regime and provide civilian passenger flights to Europe and Asia. As noted previously by the Treasury Department, the IRGC-QF and Hizballah are both heavily involved in these types of cargo shipments to Syria. Also designated today are officials from Um Air and KTA as well as Mahan Air Managing Director Hamid Arabnejad who oversees Mahan Air's sanctions evasion efforts and provision of support and services to Iran's IRGC-QF.

Today, the Treasury Department is also identifying additional aircraft operated by Mahan Air and Iran Air that have been provided by Um Air and Bukovyna as blocked pursuant to E.O. 13224 and 13382, respectively.

Um Air

Um Air was designated pursuant to E.O. 13224 for providing financial, material, or technological support for, or financial or other services to Mahan Air, by leasing BAe-146 Avro RJ100 aircraft to Mahan Air. In October 2012 and again in January 2013, Um Air delivered additional Bae-146 Avro RJ 100 aircraft to Mahan Air. As of October 2012, Um Air was also actively assisting Mahan Air by helping to train and certify Mahan Air pilots and engineers on BAe-146 aircraft.

Rodrigue Elias Merhej

Rodrigue Elias Merhej was designated pursuant to E.O. 13224 as otherwise associated with Um Air because he owns or controls the airline. Merhej is the company's owner and chairman.

Bukovyna AE

Bukovyna AE was designated pursuant to E.O. 13382 for providing financial, material and technological support to Iran Air by leasing aircraft to Iran Air. Combined, Bukovyna AE and Um Air have exported dozens of aircraft into Iran since 2010. Bukovyna and Um Air have upwards of twenty five aircraft in Iran now that are registered in their names. Aircraft provided by Bukovyna have been used by Mahan Air to fly to Syria on numerous occasions.

Kyrgyz Trans Avia

KTA was designated pursuant to E.O. 13224 for providing financial, material, or technological support for, or financial or other services to Mahan Air, by leasing aircraft to Mahan Air. KTA has been publicly identified as an umbrella company purposely established for importing aircraft to Iran. In this regard, between 2009 and 2010, KTA acted as an intermediary for Mahan Air's acquisition of eight aircraft, all of which are now identified by Treasury as blocked property operated by Mahan Air. Some of the aircraft supplied by KTA to Mahan Air are used, interchangeably, to move suspected illicit cargo to the Syrian regime and provide civilian passenger flights to Europe and Asia.

Lidia Kim

Lidia Kim was designated pursuant to E.O. 13224 for acting for or on behalf of KTA by serving as the director of the company. Kim has received funds from a Mahan Air front company for equipment provided to the airline.

Sirjanco Trading L.L.C.

Sirjanco is a United Arab Emirates-based company designated pursuant to E.O. 13224 for acting for or on behalf of Mahan Air. Sirjanco was established specifically to serve as a financial front for Mahan Air. Sirjanco has also served as a front for Mahan Air's acquisition of aircraft. Additionally, Iran's IRGC-QF has used Sirjanco to procure sanctioned goods.

Hamid Arabnejad

Hamid Arabnejad was designated pursuant to E.O. 13224 for acting for or on behalf of Mahan Air as the Managing Director of the airline. Arabnejad oversees Mahan Air's efforts to evade U.S. and international sanctions. Arabnejad has a close working relationship with IRGC-QF personnel and coordinates Mahan Air's support and services to the paramilitary group. He has also been instrumental in facilitating the shipment of illicit cargo to Syria on Mahan Air aircraft.

Identifiers

Name: Ferland Company Limited
AKA: Ferland Co. Ltd
Address: 29 A Anna Komnini St., PO Box 2303, Nicosia, Cyprus
Alt Address: 5/7 Sabaneyev Most., Odessa, Ukraine

Name: Lidia Kim
AKA: Lidiia Kim
AKA: Lidiya Kim
AKA: Lidia Egorovna Kim
DOB: 23 Mar 1955
Citizenship: Kyrgyzstan
Passport: 02NO133036 (Russia)
Passport: AN1912357

Name: Rodrigue Elias Merhej
AKA: Rodrig Merkhezh
DOB: 1970
Alt DOB: 1969
Alt DOB: 1971
POB: Lebanon

Name: Hamid Arabnejad
DOB: 16 Apr 1961
Alt DOB: 03 May 1956
Nationality: Iran
Passport: E1929795 (Iran) expires 25 May 2010
Alt Passport: V08716254 (Iran) expires 15 Jul 2011
Alt Passport: V11630399 (Iran) expires 20 Jun 2012
Alt Passport: U8356901 (Iran) expires 09 May 2011
Alt Passport: H10395121 (Iran) expires 18 Jan 2012
Alt Passport: K11946257 (Iran) expires 27 Oct 2012

Alt Passport: X13567677 (Iran) expires 02 Jul 2013
Alt Passport: D14818825 (Iran) expires 16 Mar 2014
Alt Passport: F16438158 (Iran) expires 18 Nov 2014
Alt Passport: R19234531 (Iran) expires 02 Nov 2015
Alt Passport: L95280222 (Iran) expires 23 Jul 2016
Alt Passport: L95273714 (Iran) expires 22 Aug 2016
Alt Passport: P95418009 (Iran) expires 27 Apr 2017

Name: Sirjanco Trading L.L.C.

Location: 17th Floor, Office 701, al Moosa Tower 1, Sheikh Zayed Road, Dubai, UAE

Name: Kyrgyz Trans Avia

AKA: Kyrgyztransavia Airlines

Head office: Bulvar Erkindik 35, Bishkek City, Bishkek 720040, Kyrgyzstan

Location: 32 Razakova Street, Bishkek City 720040, Kyrgyzstan

Name: Ukrainian-Mediterranean Airlines

AKA: Um Air

AKA: Ukrainske-Tschermomorskie Avialinii

Location: 7 Shulyavaska Street, Kiev 03055, Ukraine

Alt. Location: Building Negin Sai apartment 105, Valiasr Street, Tehran, Iran

Alt. Location: 29 Ayar Street, Julia Dumna Building, Damascus, Syria

Alt. Location: 38 Chkalova Street, building 1, office 10, Minsk, Belarus

Name: Pryvatne Aktsionerne Tovarystvo Aviakompaniya Bukovyna

AKA: Aviakompaniya Bukovyna

AKA: Bukovyna Aviation Enterprise

AKA: Aviakompaniya Bukovyna, Pryvatne At

AKA: Bukovyna Airlines

Address: Bud.30 vul.Chkalova Pershotravney R-N, Chernivtsi 58009, Ukraine

Name: Bandar Imam Petrochemical Company

Address: North Kargar Street, Tehran, Iran

Alt Address: Mahshahr, Bandar Imam, Khuzestan Province, Iran

Name: Bou Ali Sina Petrochemical Company

AKA: Buali Sina Petrochemical Company

Address: No. 17, 1st Floor, Daman Afshar St., Vanak Sq., Vali-e-Asr Ave, Tehran 19697, Iran

Alt Address: Petrochemical Special Economic Zone (PETZONE), Iran

Name: Mobin Petrochemical Company

Address: South Pars Special Economic Energy Zone, Postal Box: 75391-418, Assaluyeh, Bushehr, Iran

Alt Address: PO Box, Mashhad, Iran

Name: Nouri Petrochemical Company

AKA: Borzuyeh Petrochemical Company

AKA: Nouri Petrochemical Complex

Address: Pars Special Economic Energy Zone, Assaluyeh Port, Bushehr, Iran

Name: Pars Petrochemical Company

Address: Pars Special Economic Energy Zone, PO Box 163-75391, Assaluyeh, Bushehr, Iran

Name: Shahid Tondgooyan Petrochemical Company

AKA: Shahid Tondguyan Petrochemical Company

Address: Petrochemical Special Economic Zone (PETZONE), Iran

Name: Shazand Petrochemical Company

AKA: AR.P.C.

AKA: Shazand Petrochemical Corporation

AKA: Arak Petrochemical Company

Address: No. 68, Taban St., Vali Asr Ave., Tehran, Iran

Name: Tabriz Petrochemical Company

Address: Off Km 8, Azarshahr Road, Kojubar Road, Tabriz, Iran

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