

Treasury Targets Thai Company Supporting Iranian Airline Mahan Air

September 14, 2018

Washington – Today, the U.S. Department of the Treasury’s Office of Foreign Assets Control (OFAC) designated Thailand-based My Aviation Company Limited for acting for or on behalf of Mahan Air, an Iranian airline previously designated for supporting Iran’s terrorism activities. The action today was taken pursuant to Executive Order (E.O.) 13224, which targets terrorists and those providing support to terrorists or acts of terrorism.

“Mahan Air continues to fly into Syria every week, even as millions of innocent civilians in Idlib province are under threat of imminent attack from the murderous Assad regime and its backers in Iran and Russia. Treasury is cutting off yet another service provider acting on behalf of Mahan Air, a sanctioned airline that transports soldiers and supplies to Assad and fuels terrorist activities across the region,” said Secretary of the Treasury Steven T. Mnuchin. “This Thailand-based company has disregarded numerous U.S. warnings, issued publicly and delivered bilaterally to the Thai government, to sever ties with Mahan Air. This action should serve as a warning that the U.S. is intent on ensuring that the aviation industry ceases providing services to, and profiting from, this terrorist-affiliated airline.”

Since the onset of the Syrian civil war, Mahan Air has routinely flown fighters and materiel to Syria to prop up the Assad regime, which has contributed to mass atrocities in the country and the displacement of millions of innocent civilians. Mahan Air continues to operate a regular schedule of three weekly flights to Syria, with additional flights periodically observed, totaling more than 170 flights since September 2017.

MY AVIATION

My Aviation Company Limited (My Aviation), headquartered in Bangkok, Thailand, is being designated for acting for or on behalf of Mahan Air by serving as a Mahan Air General Sales Agent (GSA) in Thailand. A GSA is a third party that provides services to an airline under the airline’s brand. There are several types of services and support that GSAs typically offer airlines,

including sales and marketing, freight reception and handling, airport warehouse and ramp supervision, administration services, and financial services.

My Aviation provides cargo services to Mahan Air, to include freight booking, and works with local freight forwarding entities to ship cargo aboard regularly scheduled Mahan Air flights to Tehran, Iran. My Aviation has also provided Mahan Air with passenger booking services.

The designation of this GSA reinforces Treasury's notice to the international aviation community of the sanctions risk for individuals and entities maintaining commercial relationships with Mahan Air and other designated Iranian airlines. In addition to GSA services such as freight booking and handling, the civil aviation industry should conduct due diligence for other activities that, when conducted for or on behalf of a designated person, are potentially sanctionable. Such activities may include reservation and ticketing services, procurement of aircraft parts and equipment, maintenance contracts, airline grounds services, catering, interline transfer and codeshare agreements, and refueling contracts.

Treasury also identified Mihan Travel & Tourism SDN BHD as an alias for Mahan Travel and Tourism SDN BHD, which Treasury designated on July 9, 2018 for acting for or on behalf of Mahan Air as its GSA in Malaysia.

As a result of today's actions, all property and interests in property under U.S. jurisdiction of My Aviation Company Limited are blocked, and U.S. persons are generally prohibited from engaging in transactions with it. Additionally, My Aviation Company Limited is subject to secondary sanctions pursuant to the Iranian Financial Sanctions Regulations (IFSR), which implement, among other authorities, the Comprehensive Iran Sanctions and Divestment Act of 2010 (CISADA). Pursuant to the IFSR, OFAC can prohibit or impose strict conditions on the opening or maintaining in the United States of a correspondent account or a payable-through account by a foreign financial institution that knowingly facilitates a significant transaction for designated agents or affiliates of Iran's Islamic Revolutionary Guard Corps (IRGC) or persons designated pursuant to E.O. 13224 in connection with Iran's support for international terrorism or E.O. 13382 in connection with Iran's proliferation of weapons of mass destruction and their means of delivery.

MAHAN AIR BACKGROUND

Mahan Air was designated in October 2011 pursuant to E.O. 13224 for providing financial, material, or technological support for or to Iran's Islamic Revolutionary Guard Corps-Qods Force (IRGC-QF), which was itself designated pursuant to E.O. 13224 on October 25, 2007 for its

support to numerous terrorist groups. Mahan Air has transported IRGC-QF operatives, weapons, equipment, and funds abroad in support of the IRGC-QF's destabilizing regional operations.

Mahan Air has routinely facilitated the movement of IRGC-QF personnel, fighters, and material, between Iran and Syria for military training, and has facilitated the movement of IRGC-QF members by bypassing normal security protocols and flight manifests. The airline also has moved weapons and personnel for Hizballah and regional armed groups whose actions fuel conflict and exacerbate regional instability. Hizballah was designated by the Department of State as a Foreign Terrorist Organization in October 1997 and as a Specially Designated Global Terrorist pursuant to E.O. 13224 in October 2001. It was listed in January 1995 in the Annex to E.O. 12947, which targets terrorists who threaten to disrupt the Middle East peace process, and also designated in August 2012 pursuant to E.O. 13582, which targets the Government of Syria and its supporters.

Today's actions demonstrate the U.S. Government's continued commitment to enforcing existing sanctions and to targeting those that provide support to terrorism.

As a reminder, due to President Trump's May 8, 2018 decision to cease the United States' participation in the Joint Comprehensive Plan of Action (JCPOA), following the 180-day wind-down period ending on November 4, 2018, all U.S. nuclear-related sanctions that had been lifted under the JCPOA will be re-imposed and in full effect.

[Identifying information on the entities designated today.](#)

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