

Treasury Advisory Highlights Iranian Airlines' Support of Destabilizing Activity

July 23, 2019

OFAC Outlines Risks to Civil Aviation Industry of Dealing with Iranian Airlines

Washington – Today, the U.S. Department of the Treasury's Office of Foreign Assets Control (OFAC) issued an Iran-related Advisory to inform the civil aviation industry of potential exposure to U.S. Government enforcement actions and economic sanctions for engaging in or supporting unauthorized transfers of aircraft or related goods, technology, or services to Iran or to designated Iranian airlines.

"The Iranian regime uses commercial airlines to further the destabilizing agenda of terror groups like the Islamic Revolutionary Guards Corps (IRGC) and its Qods Force (IRGC-QF), and to fly fighters from their proxy militias across the region. The international civil aviation industry, including service providers like general sales agents, brokers, and title companies, need to be on high alert to ensure they are not complicit in Iran's malign activities," said Sigal Mandelker, Under Secretary of the Treasury for Terrorism and Financial Intelligence. "Lack of adequate compliance controls could expose those operating in the civil aviation industry to significant risks, including civil or criminal enforcement actions or economic sanctions."

The advisory provides information on the role many Iranian commercial airlines play in supporting the Iranian regime's efforts to foment regional violence through terrorism, supplying weapons to its proxy militias and the Assad regime, and other destabilizing activity. Iran has routinely relied upon certain Iranian commercial airlines to fly fighters and materiel to international locations in furtherance of Iranian state-sponsored terror operations. In conducting these flights, these Iranian commercial airlines enable Iran's military support for the Assad regime by delivering lethal materiel including weapons shipments, prolonging the brutal conflict and the suffering of millions of Syrians.

For example, the advisory highlights Mahan Air, which plays an integral role supporting the IRGC-QF and its regional proxies by transporting foreign fighters, weapons, and funds. Mahan Air has also transported IRGC-QF Commander Qasem Soleimani, who is sanctioned under United Nations Security Council Resolution 2231 and subject to a United Nations travel ban.

Since 2018, the United States has imposed economic sanctions on 11 entities and individuals that have provided support to, or acted for or on behalf of, Mahan Air, including a bank providing financial services, front companies procuring spare aircraft parts, and general sales agents providing services in Malaysia, Thailand, and Armenia. The United States also designated Qeshm Fars Air, a commercial cargo airline controlled by Mahan Air and a key facilitator of the IRGC-QF's malign activities in Syria, in early 2019 under terrorism authorities.



In addition to transporting weapons and fighters for the IRGC-QF, Mahan Air has been used by the IRGC as recently as March 2019 to transport bodies of fighters who are killed fighting in Syria back to several airports in Iran (Photo: Iran's Mashregh News and Javan Daily).

General sales agents and other entities that continue to provide services to U.S.-designated Iranian airlines like Mahan Air remain at risk of sanctions actions. Potentially sanctionable activities — when conducted for or on behalf of a designated person — could include:

- Financial services
- Reservations and ticketing
- Freight booking and handling
- Procurement of aircraft parts and equipment
- Maintenance
- Airline ground services
- Catering
- Interline transfer and codeshare agreements
- Refueling contracts

The advisory also describes various deceptive practices employed by the Iranian regime to evade sanctions and illicitly procure aircraft and aircraft parts ranging from the use of front companies and unrelated general trading companies to falsifying or fabricating documentation relating to end-use or OFAC licenses. Intermediaries should be on heightened alert to the practices highlighted in this advisory.

For more information, please view [OFAC's Iran-Related Civil Aviation Industry Advisory](#) .

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