

# Treasury Targets Sanctions Evasion Scheme Facilitating Jet Fuel Shipments to Russian Military Forces in Syria

September 26, 2019

**Washington** – Today, the U.S. Department of the Treasury’s Office of Foreign Assets Control (OFAC) designated one entity, three individuals, and five vessels participating in a sanctions evasion scheme to facilitate the delivery of jet fuel to Russian forces operating in Syria. Specifically, OFAC designated Maritime Assistance LLC, which is a front company supporting the U.S.-designated company OJSC Sovfracht (“Sovfracht”), originally designated for operating in Ukraine. Sovfracht is behind a sanctions evasion conspiracy, orchestrated by the three individuals designated today, to make payments and facilitate the transfer of supplies of jet fuel to Russian forces operating in Syria in support of the Assad government. In addition, today OFAC identified five vessels as blocked property of Transpetrochart Co. Ltd., a Russian company designated by OFAC in December 2016 for providing material support to Sovfracht.

“Treasury is targeting a sanctions evasion scheme that includes front companies, vessels and conspirators who have been facilitating the illicit transfer of jet fuel to the Russian military in Syria. Assad’s despotism regime is under an international spotlight for using chemical weapons and committing atrocities against innocent Syrian civilians, and they rely on these types of illicit networks to stay in power,” said Sigal Mandelker, Undersecretary for Terrorism and Financial Intelligence. “The U.S. is determined to cut off access to the international financial system from those who conspire to violate our sanctions, including those who enable the brutal war machine in Syria.”

OFAC coordinated this action with the Federal Bureau of Investigation (FBI) and the U.S. Attorney’s Office for the District of Columbia.

“The FBI is proud to have been a part of the team that unraveled this complicated scheme that supplied fuel for Russian jet fighters supporting Assad’s regime,” said Alan E. Kohler, Jr, Special Agent in Charge of the Counterintelligence Division, FBI Washington Field Office. “The FBI will continue to work closely with our Department of Justice and Treasury partners to identify and bring to justice those individuals or entities that conspire to violate U.S. sanctions, and in turn, imperil our financial system and our national security.”

OFAC designated Russian shipping company Sovfracht-Sovmortrans Group and its subsidiary, Sovfracht, in September 2016 pursuant to Executive Order (E.O.) 13685 for operating in the Crimea region of Ukraine. Following its designation, Sovfracht relied on vessels owned by another U.S.-designated entity — Transpetrochart Co. Ltd. — to make deliveries of jet fuel to Syria.

The FBI investigation into Sovfracht following its designation determined that the company concealed its continued shipments of jet fuel to Syria by conducting business via a Moscow-based front company, Maritime Assistance LLC. The joint investigation by the FBI, the Department of Justice, and Treasury determined that Maritime Assistance LLC made payments on Sovfracht's behalf to enable Sovfracht to continue fulfilling contracts after its designation. These transactions facilitated the sale and delivery of jet fuel in 2016 and 2017 to Baniyas, Syria, which was used by Russian military aircraft. Russia's support of the Assad regime enabled its continued bombing campaigns that destroyed numerous hospitals, schools, and public spaces, resulting in civilian deaths.

The three individuals being designated today were indicted by the U.S. Department of Justice on June 12, 2018 as a result of the FBI's investigation on charges of conspiracy to violate U.S. economic sanctions for their orchestration of this illicit scheme. These key senior Sovfracht officials oversaw the activity of Maritime Assistance LLC: Ivan Okorokov, Director of Marine Transport Department at Sovfracht; Karen Stepanyan, First Deputy Director of Marine Transport Department at Sovfracht; and Ilya Loginov, Deputy General Director for Legal Support at Sovfracht.

In December 2016, OFAC designated Transpetrochart Co. Ltd. pursuant to E.O. 13685 for having provided material support to Sovfracht. Today, OFAC is also identifying five vessels as blocked property of Transpetrochart Co. Ltd. and adding their names to its List of Specially Designated Nationals and Blocked Persons (SDN List): YAZ (IMO 9735323), SIG (IMO 9735335), SUDAK (IMO 8943155), PASSAT (IMO 8523242), and OT-2077 (IMO 9025778).

## **DESIGNATION BASES AND AUTHORITIES**

Maritime Assistance LLC is being designated pursuant to E.O. 13685 for having materially assisted, sponsored, or provided financial, material, or technological support for, or goods or services to or in support of, Sovfracht. Maritime Assistance LLC is also being designated pursuant to E.O. 13582 for having materially assisted, sponsored, or provided financial, material, or technological support for, or goods or services in support of, the Syrian Company

for Oil Transport (SCOT), which is identified as a Government of Syria entity pursuant to E.O. 13582.

Ivan Okorokov, Karen Stepanyan, and Ilya Loginov are being designated pursuant to E.O. 13685 for having acted or purported to act for or on behalf of, directly or indirectly, Sovfracht.

The YAZ (IMO 9735323), SIG (IMO 9735335), SUDAK (IMO 8943155), PASSAT (IMO 8523242), and OT-2077 (IMO 9025778) are being identified as blocked property pursuant to E.O. 13685.

As a result of today's action, all property and interests in property of these persons, and of any other persons blocked by operation of law, that are in the United States or in the possession or control of U.S. persons must be blocked and reported to OFAC. OFAC's regulations generally prohibit all dealings by U.S. persons or within (or transiting) the United States that involve any property or interest in property of blocked persons. [View identifying information on the individuals and entities designated today.](#)

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