

Treasury Takes Further Action Regarding Designated Cubametales for Attempting to Circumvent Sanctions

November 26, 2019

WASHINGTON – Today, the U.S. Department of the Treasury’s Office of Foreign Assets Control (OFAC) designated Cuban company Corporacion Panamericana S.A. pursuant to Executive Order (E.O.) 13850 for being owned or controlled by, or having acted for or on behalf of, Cubametales, an entity designated on July 3, 2019, for operating in the oil sector of the Venezuelan economy.

“Cuba has played a direct role in preventing the return of democracy to Venezuela,” said Treasury Deputy Secretary Justin G. Muzinich. “Treasury continues to pursue sanctions evaders to deny resources to the illegitimate Venezuelan regime.”

Since its designation on July 3, 2019, Cubametales, the Cuban state-run oil import and export company, has faced significant pressure as businesses refuse to conduct business with them as a result of its designation. In response, Cubametales repeatedly offered Corporacion Panamericana S.A. as an intermediary to continue operations and circumvent sanctions. Today’s action against Corporacion Panamericana S.A. demonstrates OFAC’s continued commitment to target those facilitating activity for designated entities, such as Cubametales, an entity that has refused to end its support for the illegitimate former Maduro regime.

At the behest of Cubametales, Corporacion Panamericana S.A. replaced Cubametales in various energy deals and international commercial dealings with several countries, including by shifting employees from Cubametales to Corporacion Panamericana S.A. For instance, in the summer of 2019, a North African company refused to do business with Cubametales because of U.S. sanctions against it. In response, Cubametales offered Corporacion Panamericana S.A. as a non-U.S. designated intermediary, and Corporacion Panamericana S.A. took over Cubametales’ commercial relations with the company. Corporacion Panamericana S.A. then executed commercial activities related to a supply of oil that were previously executed by Cubametales. After taking over this deal, Corporacion Panamericana S.A. kept Cubametales officials informed of the details of the contract.

Likewise, in an effort to continue Cubametales’ ongoing sanctions evasion activities, Corporacion Panamericana S.A. onboarded employees from Cubametales following OFAC’s

designation of Cubametales. In the summer of 2019, a Cubametales official, who also held a position with the same duties at Corporacion Panamericana S.A., negotiated a deal with a European company for the delivery of gasoline to Cuba.

As a result of today's action, all property and interests in property of these entities, and of any entities that are owned, directly or indirectly, 50 percent or more by the designated entities, that are in the United States or in the possession or control of U.S. persons are blocked and must be reported to OFAC. OFAC's regulations generally prohibit all transactions by U.S. persons or within (or transiting) the United States that involve any property or interests in property of blocked persons.

[Identifying information on the individual and entities identified today.](#)

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