

Treasury Designates Prominent Lebanon and DRC-Based Hizballah Money Launderers

December 13, 2019

Washington – Today, the U.S. Department of the Treasury’s Office of Foreign Assets Control (OFAC) took action against two prominent Lebanon and the Democratic Republic of the Congo (DRC)-based money launderers and their affiliated companies, including those that have generated tens of millions of dollars for Hizballah, its financiers, and their malign activities. These designations underscore the extent to which Hizballah and its affiliates engage in illicit economic activity that prioritizes the terrorist group’s own economic interests over those of the Lebanese people. The United States supports the Lebanese people’s demand to end corruption and the terrorist financing that thrives in corrupt environments.

“Hizballah continues to use seemingly legitimate businesses as front companies to raise and launder funds in countries like the DRC where it can use bribery and political connections to secure unfair market access and evade taxes,” said Secretary Steven T. Mnuchin. “This Administration will continue to take action against Hizballah financiers like Nazem Said Ahmad and Saleh Assi, who have used money laundering and tax evasion schemes to fund terrorist plots and finance their own lavish lifestyles as the Lebanese people suffer.”

“Art and luxury goods dealers should be on alert to the schemes of money launderers who hide personal funds in high-value assets in an attempt to mitigate the effects of U.S. sanctions,” said Deputy Secretary Justin G. Muzinich.

This action targets Lebanon-based Nazem Said Ahmad (Ahmad) who provided financial support to Hizballah. Ahmad, who has a vast art collection, is one of Hizballah’s top donors, generating funds through his longstanding ties to the “blood diamond” trade. Treasury is also taking action against DRC-based Saleh Assi (Assi) who has laundered money through Ahmad’s diamond businesses. Assi provided financial support to U.S.-designated Hizballah financier Adham Husayn Tabaja (Tabaja). Tabaja maintained direct ties to senior Hizballah officials and Hizballah’s operational component, the Islamic Jihad, which is responsible for executing Hizballah’s terrorist attacks worldwide. In addition to designating Assi, OFAC is identifying Assi’s

yacht, the Flying Dragon, as blocked property, in which Assi has an interest. OFAC is also designating Lebanon-based accountant Tony Saab (Saab), who provided support to Assi.



Nazem Said Ahmad in his penthouse in Beirut, Lebanon

Source: Selections Arts

Hizballah utilizes Ahmad and his companies to launder substantial amounts of money bound for the terrorist group. Ahmad has an extensive art collection worth tens of millions of dollars, including works by Pablo Picasso and Andy Warhol, many of which have been on display in his gallery and penthouse in Beirut. Through bulk cash transfers and illicit financial transactions, Ahmad has sought to protect his assets from legitimate taxation. In concealing his ill-gotten gains from the Lebanese government, Ahmad has deprived the government and the Lebanese people of much needed tax revenue while the country faces serious economic challenges.

According to press reporting, Assi and his companies engaged in price fixing in the bread market in 2018, which led to his detention by authorities after price hikes sparked protests in Kinshasa. The United States stands with the DRC Government in its efforts to combat terrorism and

corruption and to create a thriving and transparent financial sector that attracts foreign investment.

OFAC took this action pursuant to Executive Order (E.O.) 13224, as amended, which targets terrorists and those providing support to terrorists or acts of terrorism. Hizballah was designated by the Department of State as a Foreign Terrorist Organization in October 1997 and as a Specially Designated Global Terrorist (SDGT) pursuant to E.O. 13224 in October 2001.

NAZEM SAID AHMAD

Ahmad has materially assisted, sponsored, or provided financial, material, or technological support for, or goods or services to or in support of, Hizballah, a person whose property and interests in property are blocked pursuant to E.O. 13224, as amended.

Ahmad, a diamond dealer, is a prominent Lebanon-based money launderer and significant Hizballah financier. As of late 2016, Ahmad was considered a major Hizballah financial donor who laundered money through his companies for Hizballah and provided funds personally to Hizballah Secretary-General Hassan Nasrallah (Nasrallah). Ahmad was also involved in “blood diamond” smuggling and formerly ran businesses in Belgium that benefitted Hizballah. Ahmad stores some of his personal funds in high-value art in a pre-emptive attempt to mitigate the effects of U.S. sanctions, and he opened an art gallery in Beirut, Lebanon as a front to launder money.

Ahmad also maintains ties to several U.S.-designated Hizballah financiers and associates, including Kassim Tajideen and Mohammad Bazzi. In early 2019, Ahmad was involved in a bank loan with Adham Tabaja. Ahmad is also close to U.S.-designated Hizballah officials, to include Nasrallah and Hizballah’s representative to Iran, Abdallah Safi-al-Din.

Additionally, according to press reporting, Ahmad purchased a tract of land in Lebanon for \$240 million. A major investor in the transaction was a relative of U.S.-designated Ali Tajideen, a Hizballah fundraiser and former Hizballah commander. The investor acquired the funds from conflict diamond and mineral dealers, and Treasury-designated Hizballah front companies.

AHMAD’S LEBANON-BASED COMPANIES—BEIRUT DIAM SAL, BEIRUT GEM SAL, MONTECARLO BEACH SAL, DEBBIYE 143 SAL, NOUR HOLDING SAL, ARAMOUN 1506 SAL, DAMOUR 850 SAL, GEBAA 2480 SAL, NOUMAYRIYE

1057 SAL, BEIRUT TRADE SAL, AND BLUE STAR DIAMOND SAL – OFFSHORE

All eleven entities named above are owned, controlled, or directed by Ahmad, a person whose property and interests in property are blocked pursuant to E.O. 13224, as amended.

Ahmad is a founder, chairman, authorized signatory, and majority shareholder of Beirut Diam SAL, Beirut Gem SAL, Debbiye 143 SAL, Damour 850 SAL, Gebaa 2480 SAL, Noumayriye 1057 SAL, and Nour Holding SAL. Ahmad is a chairman, authorized signatory, and majority shareholder of Montecarlo Beach SAL, Beirut Trade SAL, and Blue Star Diamond SAL – Offshore. Ahmad is also a founder, chairman, and authorized signatory of Aramoun 1506 SAL.

The eleven Lebanon-based companies designated today should not be viewed as an exhaustive list of companies owned or controlled by Ahmad, and the regulated community remains responsible for conducting necessary due diligence and maintaining compliance with OFAC's fifty percent rule.

SALEH ASSI

Assi has materially assisted, sponsored, or provided financial, material, or technological support for, or goods or services to or in support of, Adham Tabaja, a person whose property and interests in property are blocked pursuant to E.O. 13224, as amended.

In the years following his designation, Tabaja maintained close financial connections to Assi, receiving millions from accounts tied to Assi. As of 2019, Assi was one of Tabaja's few remaining sources of financial support. Assi is also a business partner of Tabaja and conducts real estate purchases on his behalf. In turn, Tabaja has used his ties with Hizballah to solve Assi's business and legal problems.

Assi uses his companies to facilitate payments to Tabaja. Assi and his companies also engage in tax evasion and money laundering schemes in the DRC that generate illicit profits of tens of millions of dollars per year, a portion of which are transferred to Tabaja in Lebanon. Revenue generated by Assi's schemes is delivered to Lebanon via bulk cash transfers or laundered through Nazem Ahmad's diamond businesses. Over the past decade, Assi has used schemes like these to funnel tens of millions of dollars to Tabaja. Assi was also involved in a tax evasion scheme with several other U.S. designated Hizballah financiers and associates, including Tabaja, Nazem Ahmad, Mohammad Bazzi, and Kassem Tajideen.

The vessel Flying Dragon is also being identified today pursuant to E.O. 13224 as blocked property in which Assi has an interest. In May and June 2019, Assi used an Inter Aliment SAL (Off-Shore) business account to transfer millions of euros for the payment of the Flying Dragon.



Flying Dragon

Source: Super Yacht Times

ASSI'S DRC-BASED COMPANIES—MINOCONGO, PAIN VICTOIRE, AND TRANS GAZELLE

All three entities are owned, controlled, or directed by Assi, a person whose property and interests in property are blocked pursuant to E.O. 13224, as amended.

Assi is the owner and administrator of Minocongo, which was formed in 1994 and offers crop preparation services. Between 2010 and 2016, Tabaja sent tens of millions of dollars in money transfers to Minocongo.

Additionally, Assi is the owner, general manager, and director general of Pain Victoire, a bread-making company. Assi also owns Trans Gazelle.

ASSI'S LEBANON-BASED COMPANIES—INTER ALIMENT SAL (OFF-SHORE), SALASKO OFFSHORE S.A.L., AND AL

YUMUN REAL ESTATE COMPANY SAL

All three entities named above are owned, controlled, or directed by Assi, a person whose property and interests in property are blocked pursuant to E.O. 13224, as amended.

Assi is the chairman, general manager, director general, and authorized signatory of Inter Aliment SAL (Off-Shore) (Inter Aliment). In 2019, Assi oversaw millions of dollars' worth of transfers from his personal account and Inter Aliment. In 2013, proceeds from Inter Aliment and Assi's other companies went towards investments with Hizballah financiers.

Assi is also involved in several other companies in Lebanon. Assi is a majority shareholder, and the chairman and authorized signatory of Al Yumun Real Estate Company SAL. Assi is also founder, majority shareholder, and the chairman and authorized signatory of Salasko Offshore S.A.L.

The six DRC and Lebanon-based companies designated today should not be viewed as an exhaustive list of companies owned or controlled by Assi, and the regulated community remains responsible for conducting necessary due diligence and maintaining compliance with OFAC's fifty percent rule.

TONY SAAB

Saab has materially assisted, sponsored, or provided financial, material, or technological support for, or goods or services to or in support of, Assi, a person whose property and interests in property are blocked pursuant to E.O. 13224, as amended.

As an employee of Assi's company Inter Aliment, Saab was involved in facilitating the transfer of millions of dollars for Inter Aliment and Minocongo and provided documentation of such transfers to Assi. Saab was also involved in facilitating Assi's payments to Tabaja.

SANCTIONS IMPLICATIONS

The Treasury Department continues to prioritize disruption of the full range of Hizballah's illicit financial activity, and with this action has designated 80 Hizballah-affiliated individuals and entities since 2017.

As a result of today's action, all property and interests in property of these targets 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 the United

States (including transactions transiting the United States) that involve any property or interests in property of blocked or designated persons. In addition, persons that engage in certain transactions with the individuals and entities designated today may themselves be exposed to sanctions or subject to an enforcement action.

Furthermore, the individuals and entities designated today are subject to secondary sanctions pursuant to E.O. 13224, as amended, and the Hizballah Financial Sanctions Regulations, which implements the Hizballah International Financing Prevention Act of 2015, as amended by the Hizballah International Financing Prevention Amendments Act of 2018. Pursuant to these authorities, 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 a terrorist group like Hizballah, or a person acting on behalf of or at the direction of, or owned or controlled by, an SDGT such as Hizballah.

OFAC closely coordinated these actions with Homeland Security Investigations and the Drug Enforcement Administration (DEA). DEA's efforts and its work with OFAC are part of DEA's Project Cassandra, which targets Lebanese Hizballah's global criminal support network that operates as a logistics, procurement, and financing arm for Hizballah.

[View identifying information related to today's action here.](#)

Today, OFAC is also issuing three new [FAQs](#) with guidance related to today's designations pursuant to E.O. 13224, as amended.

[Arabic translation](#)

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