

# U.S. DEPARTMENT OF THE TREASURY

## Treasury Targets Financial and Shipping Facilitators of Iranian Petrochemicals and Petroleum Sales

September 29, 2022

WASHINGTON — Today, the U.S. Department of the Treasury’s Office of Foreign Assets Control (OFAC) sanctioned an international network of companies involved in the sale of hundreds of millions of dollars’ worth of Iranian petrochemicals and petroleum products to end users in South and East Asia. Today’s action targets Iranian brokers and several front companies in the UAE, Hong Kong, and India that have facilitated financial transfers and shipping of Iranian petroleum and petrochemical products. These entities have played a critical role in concealing the origin of the Iranian shipments and enabling two sanctioned Iranian brokers, Triliance Petrochemical Co. Ltd. (Triliance) and Persian Gulf Petrochemical Industry Commercial Co. (PGPICC), to transfer funds and ship Iranian petroleum and petrochemicals to buyers in Asia. In addition to OFAC’s designations, the Department of State is designating two entities based in the People’s Republic of China (PRC), Zhonggu Storage and Transportation Co. Ltd. and WS Shipping Co. Ltd., for their involvement in Iran’s petrochemical trade.

“The United States is committed to severely restricting Iran’s illicit oil and petrochemical sales,” said Under Secretary of the Treasury for Terrorism and Financial Intelligence Brian E. Nelson; “So long as Iran refuses a mutual return to full implementation of the Joint Comprehensive Plan of Action, the United States will continue to enforce its sanctions on the sale of Iranian petroleum and petrochemical products.”

As Iran continues to accelerate its nuclear program in violation of the JCPOA, we will continue to accelerate our enforcement of sanctions on Iran’s petroleum and petrochemical sales under authorities that would be removed under the JCPOA. These enforcement actions will continue on a regular basis, with an aim to severely restrict Iran’s oil and petrochemical exports. Anyone involved in facilitating these illegal sales and transactions should cease and desist immediately if they wish to avoid U.S. sanctions.

These economic sanctions, which are reversible in the event of Iran’s return to JCPOA

compliance, follow the designations imposed last week against the so-called morality police and other law enforcement organizations and individuals responsible for the death in custody of Mahsa Amini and the violent repression of the protests that have followed. We remain concerned about a wide range of Iranian policies, from their nuclear program, to abuses perpetrated against their own people, to supporting Russia's war of aggression against Ukraine with drones and military training, and destabilizing activities across the region, and we will continue to respond to these dangerous policies with sanctions and other tools.

Today's action is being taken pursuant to Executive Order (E.O.) 13846 and follows OFAC's August 1, 2022 designation of companies supporting Iranian petrochemical conglomerate PGPICC; the July 6, 2022 designation of a Persian Gulf-based network facilitating Iranian petrochemical and petroleum sales; and a June 16, 2022 action targeting an international sanctions evasion network supporting Iranian petrochemical sales in East Asia.

### **Triliance Petrochemical Co. Ltd. Network**

Triliance, a critical component of Iran's petroleum and petrochemical sectors, which brokers the sale of Iranian products to foreign purchasers, has purchased millions of dollars' worth of Iranian petrochemical and petroleum products from Iran-based petrochemical brokers **Iran Chemical Industries Investment Company** and **Middle East Kimiya Pars Co.**, which were ultimately shipped to India.

Triliance was previously designated pursuant to E.O 13846 in 2020 for, on or after November 5, 2018, having materially assisted, sponsored, or provided financial, material, or technological support for, or goods or services in support of, the National Iranian Oil Company (NIOC). NIOC itself is sanctioned pursuant to E.O. 13599, and also E.O. 13224, a counterterrorism sanctions authority.

India-based petrochemical company **Tibalaji Petrochem Private Limited** has purchased millions of dollars' worth of Triliance-brokered petrochemical products, including methanol and base oil, for onward shipment to China.

Triliance relies upon intermediary front companies to effectuate the sale of Iranian products to purchasers in South and East Asia. Hong Kong-based front company **Sierra Vista Trading Limited** was used to conceal petrochemical purchases worth millions of dollars from Iranian producers for onward shipment to China.

Triliance also utilized front companies to pay UAE-based **Clara Shipping LLC** millions of dollars in freight charges for the shipment of Iranian petrochemical and petroleum products to East Asia. UAE-based **Virgo Marine** has similarly received the equivalent of millions of dollars from Triliance since early 2022 to arrange vessels for the storage and transportation of Iranian petrochemicals. **Virgo Marine** has operated the liquid petroleum gas tanker **Gas Allure**, which transported tens of thousands of metric tons of Iranian petrochemicals brokered by Triliance.

Iran Chemical Industries Investment Company, Middle East Kimiya Pars Co., Tibalaji Petrochem Private Limited, Sierra Vista Trading Limited, Clara Shipping LLC, and Virgo Marine are all being designated pursuant to E.O. 13846 for, on or after November 5, 2018, having materially assisted, sponsored, or provided financial, material, or technological support for, or goods or services in support of, Triliance. The Gas Allure is also being identified as property in which Virgo Marine has an interest pursuant to E.O. 13846.

### **Persian Gulf Petrochemical Industries Commercial Company**

Hong Kong-based **Sophychem HK Limited** has purchased tens of millions of dollars' worth of Iranian petrochemicals from PGPICC for onward shipment to China and Singapore. **ML Holding Group Limited** helped facilitate tens of millions of dollars' worth of similar Iranian petrochemical sales to China for PGPICC. PGPICC is a subsidiary of Persian Gulf Petrochemical Industry Company (PGPIC), which is responsible for roughly half of Iran's petrochemical exports.

PGPICC was designated pursuant to E.O. 13382 on June 7, 2019, for being owned or controlled by PGPIC, which was itself designated pursuant to E.O. 13382 that same day for providing financial support to Khatam al-Anbiya Construction Headquarters, the engineering conglomerate of the Islamic Revolutionary Guard Corps.

Sophychem HK Limited and ML Holding Group Limited are being designated pursuant to E.O. 13846 for, on or after November 5, 2018, having materially assisted, sponsored, or provided financial, material, or technological support for, or goods or services in support of, PGPICC.

### **Sanctions Implications**

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. In addition, any entities that are owned, directly or indirectly, 50 percent

or more by one or more blocked persons are also blocked. 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, unless an exception applies, any foreign financial institution that knowingly facilitates a significant transaction or provides significant financial services for any of the individuals or entities designated today could be subject to U.S. sanctions.

The power and integrity of OFAC sanctions derive not only from OFAC's ability to designate and add persons to the Specially Designated Nationals and Blocked Persons List (SDN List), but also from its willingness to remove persons from the SDN List consistent with the law. The ultimate goal of sanctions is not to punish, but to bring about a positive change in behavior. For information concerning the process for seeking removal from an OFAC list, including the SDN List, please refer to OFAC's Frequently Asked Question 897 [here](#). For detailed information on the process to submit a request for removal from an OFAC sanctions list, please visit [here](#).

[Click here for identifying information on the individuals and entities designated today.](#)