

# Treasury Sanctions Financial Facilitators and Illicit Drug Traffickers Supporting the Syrian Regime

March 26, 2024

WASHINGTON — Today, the Department of the Treasury’s Office of Foreign Assets Control (OFAC) sanctioned 11 individuals and entities supporting the regime of Syrian President Bashar Al-Assad through the facilitation of illicit financial transfers and trafficking of illegal drugs, as well as the extraction and export of Syrian commodities. Syria has become the leading producer and exporter of Captagon, a highly addictive amphetamine-type stimulant trafficked illegally throughout the Middle East and Europe.

“The Assad regime continues to employ a variety of schemes to evade sanctions and sustain its longstanding campaign of repression against its own citizens, including trafficking in illegal drugs, exploiting currency exchanges, and leveraging seemingly legitimate businesses,” said Under Secretary of the Treasury for Terrorism and Financial Intelligence Brian E. Nelson. “The United States remains committed to holding accountable those who seek to support this illicit financial activity at the expense of the Syrian people.”

OFAC is undertaking today’s designations pursuant to Executive Order (E.O.) 13582 of August 17, 2011, “Blocking Property of the Government of Syria and Prohibiting Certain Actions With Respect to Syria.” Additionally, several persons sanctioned today are also being designated pursuant to the Caesar Syrian Civilian Protection Act of 2019 (“Caesar Act”), which includes secondary sanctions for anyone found to knowingly provide significant support to the Government of Syria. The revenue from the illicit Captagon trade has become a major source of income for the Assad regime, the Syrian armed forces, and Syrian paramilitary forces. The Assad regime also derives significant profits from extractive industries with the help of foreign entities. Additionally, the Syrian regime continues to rely on Syrian money service businesses to circumvent sanctions and carry out financial transfers and currency exchange on its behalf.

## CAPTAGON TRAFFICKING

Syrian national **Taher al-Kayali** (al-Kayali) owns and operates Syria-based **Neptunus LLC** (Neptunus), a company al-Kayali has used to purchase vessels that were then used to smuggle Captagon and hashish, both well-known funding sources for the Assad regime. Al-Kayali used Neptunus to purchase the cargo ship Noka, which was carrying over \$100 million worth of Captagon and hashish when it was intercepted in 2018 by Greek authorities on its way from the Syrian port of Lattakia to eastern Libya. Al-Kayali has also aided Captagon traffickers in their attempts to distribute drugs to Europe by way of Greece and Italy.

OFAC is designating Al-Kayali pursuant to E.O. 13582 for having materially assisted, sponsored, or provided financial, material, or technological support for, or goods or services to or in support of, the government of Syria. OFAC is designating Neptunus pursuant to E.O. 13582 for being owned or controlled by, or having acted or purported to act for or on behalf of, directly or indirectly, Al-Kayali.

**Mahmoud Abulilah Al-Dj** (Al-Dj) was responsible for leading the operations behind multiple Captagon shipments, including the Noka shipment seized by Greek authorities and three shipments that were seized in Libya. Al-Dj also serves as the exclusive agent for designated Syrian airline Cham Wings in Libya. Al-Dj used his Syria-based company **Al-Ta'ir Company** (Al-Ta'ir) to receive cargo tied to Captagon shipments and open a major smuggling line linking Lattakia to Benghazi, which has resulted in huge profits for Captagon traffickers. Al-Dj registered an additional company, **FreeBird Travel and Tourism** (FreeBird), after he was convicted for drug smuggling in Libya and Al-Ta'ir became subject to legal prosecution for human trafficking and drug smuggling.

OFAC is designating Al-Dj pursuant to E.O. 13582 for having materially assisted, sponsored, or provided financial, material, or technological support for, or goods or services to or in support of, the government of Syria. OFAC is designating Al-Ta'ir and FreeBird pursuant to E.O. 13582 for being owned or controlled by, or having acted or purported to act for or on behalf of, directly or indirectly, Al-Dj.

Today's Captagon-related designations were coordinated closely with the U.S. Drug Enforcement Administration.

## **SYRIAN REGIME SANCTIONS EVASION**

Syria-based **Maya Exchange Company** (Maya), alongside previously sanctioned Syrian exchanges Al-Fadel Exchange and Al-Adham Exchange, facilitated millions of dollars of illicit transactions, foreign currency transfers, and sanctions evasion schemes for the benefit of the

Syrian government. In mid-2023, Maya agreed to assist **Aleksey Makarov** (Makarov), the Vice President of sanctioned Russian Financial Corporation Bank (RFC Bank), and **Muhammad ‘Ali Al-Minala** (Al-Minala) of the [Central Bank of Syria \(CBoS\)](#), which has also been sanctioned by the United States, with making payments to a Jordanian beneficiary and thereby obfuscating Russian involvement in the transactions. Al-Minala serves as the Head of the Foreign Operations and Communications Department within the Banking Operations Directorate at CBoS and has collaborated with Makarov on additional foreign currency transfers and sanctions evasion schemes on multiple occasions, ultimately for the benefit of CBoS.

OFAC is designating Maya and Makarov pursuant to E.O. 13582 for having materially assisted, sponsored, or provided financial, material, or technological support for, or goods or services to or in support of, CBoS. OFAC is designating Al-Minala pursuant to E.O. 13582 for acting or purporting to act for or on behalf of, directly or indirectly, CBoS. OFAC is also designating Maya and Makarov pursuant to the Caesar Act for being foreign persons that knowingly provided significant financial, material, or technological support to, or knowingly engaged in a significant transaction with, the Government of Syria.

## MINING EXPORTS

In 2018, **Limited Liability Company “STG Logistic”** (STG Logistic) won and signed a 50-year contract with the government of Syria, granting it rights to 70 percent of sales revenue from Syrian mines near Palmyra, Syria. STG Logistic shares personnel and offices with another OFAC-designated company, and since signing the deal, STG Logistic’s sales to overseas buyers have led to tens of millions of dollars’ worth of revenue for the Government of Syria. United Arab Emirates- and Switzerland-based **Grains Middle East Trading DWC-LLC** (Grains Middle East Trading) has served as an intermediary for STG Logistic in many shipments of Syrian commodities to multiple overseas buyers, each shipment worth hundreds of thousands of dollars. **Yafi David** is the chief executive officer of Grains Middle East Trading.

OFAC is designating STG Logistic pursuant to E.O. 13582 for having materially assisted, sponsored, or provided financial, material, or technological support for, or goods or services to or in support of the Government of Syria. OFAC is also designating STG Logistic pursuant to the Caesar Act for being a foreign person that knowingly provided significant financial, material, or technological support to, or knowingly engaged in a significant transaction with, the Government of Syria. OFAC is designating Grains Middle East Trading pursuant to E.O. 13582 for having materially assisted, sponsored, or provided financial, material, or

technological support for, or goods or services to or in support of STG Logistic and Yafi David pursuant to E.O. 13582 for acting or purporting to act for or on behalf of, directly or indirectly, Grains Middle East Trading.

## SANCTIONS IMPLICATIONS

As a result of today's action, all property and interests in property of the designated persons described above that are in the United States or in the possession or control of U.S. persons are blocked and must be reported to OFAC. In addition, any entities that are owned, directly or indirectly, individually or in the aggregate, 50 percent or more by one or more blocked persons are also blocked. Unless authorized by a general or specific license issued by OFAC, or exempt, 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 designated or otherwise blocked persons.

In addition, financial institutions and other persons that engage in certain transactions or activities with the sanctioned entities and individuals may expose themselves to sanctions or be subject to an enforcement action. The prohibitions include the making of any contribution or provision of funds, goods, or services by, to, or for the benefit of any designated person, or the receipt of any contribution or provision of funds, goods, or services from any such person.

The power and integrity of OFAC sanctions derive not only from OFAC's ability to designate and add persons to the 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 click here](#).

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

###