

Treasury Imposes Additional Sanctions Against Syrian Regime Supporters and Sanctions Evaders

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(Archived Content)

Action Targets a Global Network of Individuals and Companies Providing Specialty Petroleum Products to Syria and Facilitating Deceptive Transactions for the Syrian Regime

WASHINGTON – Today, the U.S. Treasury Department took action to increase pressure on those supporting the Syrian regime’s procurement of specialty fuels and base oil used in its military campaign against the Syrian people. Treasury designated 11 individuals and entities, located in four countries, pursuant to Executive Order (E.O.) 13582 for acting for or on behalf of, or providing support to, the Syrian regime, previously designated Pangates International Corporation Ltd. (Pangates), or other persons designated pursuant to E.O. 13582. Treasury also sanctioned six of these individuals and entities pursuant to E.O. 13608 for having facilitated deceptive transactions for or on behalf of the Government of Syria and Pangates.

“We are committed to exposing, isolating, and targeting the Syrian regime’s support networks,” said Under Secretary for Terrorism and Financial Intelligence David S. Cohen. “So long as the illegitimate Assad regime carries out brutal attacks on its own people, we will seek to disrupt its critical military support networks and increase the financial and economic pressure it faces.”

The Syrian-based company Abdulkarim Group was designated today 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, directly or indirectly, Pangates and the Government of Syria. The United Arab Emirates-based company Maxima Middle East Trading Co. (Maxima) was designated today 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, directly or indirectly, Pangates and the Abdulkarim Group. In addition, Wael Abdulkarim was designated today for having acted

or purported to act for or on behalf of, directly or indirectly, Pangates and Abdulkarim Group. Ahmad Barqawi was designated today for having acted or purported to act for or on behalf of, directly or indirectly, Pangates and Maxima.

Also designated today are the Netherlands-based company Staroil B.V. and two of its senior executives, Alexander Hollebrand and Paul Van Mazijk. All three are 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, directly or indirectly, Pangates and the Government of Syria. Staroil, Hollebrand, and Van Mazijk were also sanctioned pursuant to E.O. 13608 for having facilitated deceptive transactions for or on behalf of Pangates and the Government of Syria.

In addition, Treasury designated Switzerland-based Rixo International Trading Ltd (Rixo International) and Bluemarine SA, as well as Halis Bektas, a senior executive of both companies, pursuant to E.O. 13582 for acting for or on behalf of the Abdulkarim Group, Pangates, the Government of Syria, and other persons designated pursuant to E.O. 13582. Switzerland-based Skirron Holding was also designated today pursuant to E.O. 13582 for being owned or controlled by Halis Bektas. Rixo International, Bluemarine SA, and Halis Bektas were also sanctioned pursuant to E.O. 13608 for having facilitated deceptive transactions for or on behalf of the Government of Syria.

The activities of Staroil and the Abdulkarim Group in the spring and summer of 2014 were part of a pattern that goes back at least a year. In November 2013, the Abdulkarim Group and Staroil arranged for the shipment of aviation fuel products to Syria through an intermediary port in Poland, in an effort to avoid sanctions against the Government of Syria. These shipments included one for over 1,300 drums of aviation fuel from a Polish company which was likely destined for Syria, but showed evidence of falsification through the mislabeling and misrepresentation of the cargo's true contents and destination.

During the spring and summer of 2014, Rixo International demonstrated a pattern of involvement in the transfer of aviation fuel via various intermediaries to Syria. Rixo International's facilitation of this movement of aviation fuel helped mask both the role of the Abdulkarim Group and its known associates, including Pangates and Maxima, as well as the true destinations of the aviation fuel. Halis Bektas was a key player in these activities at Rixo International, among others.

In July 2014, another Swiss firm, Bluemarine SA, joined with Rixo International to work with the Abdulkarim Group and Maxima in their deceptive practices and facilitation of the movement of aviation fuel to Syria. For example, there is evidence that shipping documents may have been falsified to hide Syria as the ultimate destination of the aviation fuel. Additionally, Bluemarine and Rixo apparently employed non-standard practices, likely with deceptive intent, such as requesting rapid changes to vessels' destinations to Syria from internationally acceptable and non-sanctioned nations such as Turkey, and presenting inaccurate product descriptions in shipping documents and invoices.

In June 2014, Staroil, UAE-based companies Pangates and Maxima, and Abdulkarim Group, worked with a Russian oil and gas firm to obtain various types of base oil for transfer to government-controlled refineries in Syria. The base oil shipments were destined for the refineries in Homs and Damascus, which the Department of the Treasury identified pursuant to E.O. 13582 as owned or controlled by the Government of Syria on May 8, 2014. The consignee of the shipment was Pangates, and there is evidence that Staroil and Pangates officials engaged in deceptive measures, such as leaving off the actual destination for the base oil.

In April 2014, the Abdulkarim Group was awarded a contract for the transport of significant quantities of base oil to Syria. The Abdulkarim Group provided Alexander Hollebrand, a senior official at Staroil, with detailed specifications for base oil to be discharged in Baniyas, Syria, for use in the Homs Refinery. Alexander Hollebrand and Staroil could likely secure 11,000 metric tons of base oil for loading from abroad.

In August 2013, Staroil shipped 11,000 metric tons of gasoil from Turkey to Baniyas, Syria. Staroil was the charterer for the vessel transporting the gasoil and Paul Van Mazijk, a Staroil official, and the Abdulkarim Group, were involved in the shipment. Alexander Hollebrand subsequently worked with the Abdulkarim Group in November 2013 to ship 10,000 metric tons of gasoline from Romania to Baniyas, Syria.

As of early 2013, Pangates extended its contract with Staroil for the purchase of liquefied petroleum gas (LPG) until at least April 30, 2013. The Abdulkarim Group and Alexander Hollebrand were aware that Pangates had extended its contract, where Staroil would supply Pangates with LPG and be responsible for overseeing the shipment process to Syria.

As of 2014, Wael Abdulkarim is the Managing Director of Pangates and the Director of the Abdulkarim Group. During the spring and summer of 2014, Wael Abdulkarim, in his management roles at Pangates and Abdulkarim Group, worked to arrange numerous shipments of base oils and aviation gasoline to Syria.

As of 2014, Ahmad Barqawi is the General Manager of UAE-based companies Pangates and Maxima. In the spring of 2014, in his management role at Pangates, Ahmad Barqawi participated in supplying significant quantities of base oils to Syria. In the late summer 2014, in his management role at Pangates, Ahmad Barqawi, along with the Abdulkarim Group, worked to arrange the supply of large quantities of aviation gasoline to Syria. In the summer of 2014, in his management role at Maxima, Ahmad Barqawi worked to supply significant quantities of base oils to Syria.

Today's actions designating individuals and entities pursuant to E.O. 13582 freeze any assets the designees may have under U.S. jurisdiction and generally prohibit all financial and commercial transactions by any U.S. person with the designees.

In addition, the actions under E.O. 13608 generally prohibit transactions involving the sanctioned persons that are subject to U.S. jurisdiction, including transactions by U.S. persons, wherever located.

For identifier information on the individuals and entities designated today, please click [here](#).

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