

Treasury Sanctions Networks Providing Support to the Government of Syria, Including For Facilitating Syrian Government Oil Purchases from ISIL

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(Archived Content)

Action Also Targets Russian Support to the Government of Syria

WASHINGTON – In response to continuing violence by the Assad regime against its citizens, the U.S. Department of the Treasury’s Office of Foreign Assets Control (OFAC) today designated four individuals and six entities providing support to the Government of Syria pursuant to Executive Order (E.O.) 13582, including a middleman for oil purchases by the Syrian regime from the Islamic State of Iraq and the Levant (ISIL). As a result of today’s action, all assets of those designated that are in the United States or that are in the control of U.S. persons are frozen, and U.S. persons are generally prohibited from engaging in transactions with them.

“The Syrian government is responsible for widespread brutality and violence against its own people,” said Adam J. Szubin, acting Under Secretary for Terrorism and Financial Intelligence. “The United States will continue targeting the finances of all those enabling Assad to continue inflicting violence on the Syrian people.”

Ongoing Government of Syria Ties to ISIL

OFAC designated George Haswani today for materially assisting and acting for or on behalf of the Government of Syria, and HESCO Engineering and Construction Company (HESCO) for being owned or controlled by Haswani. Haswani is a Syrian businessman who serves as a middleman for oil purchases by the Syrian regime from ISIL. HESCO is a Syrian engineering and construction company that operates energy production facilities in Syria, reportedly in areas controlled by ISIL. The European Union (EU) added Haswani to its sanctions list in March 2015.

Government of Syria Financial Facilitation and Procurement

OFAC designated Mudalal Khuri today for materially assisting and acting for or on behalf of previously designated entities and individuals including the Government of Syria, Central Bank of Syria, Central Bank of Syria Governor Adib Mayaleh, and Central Bank of Syria official Batoul Rida. OFAC designated Adib Mayaleh in July 2012 and Batoul Rida in March 2015.

Khuri has had a long association with the Assad regime and represents regime business and financial interests in Russia. Khuri is linked to financial transactions in which the Government of Syria had an interest as early as 1994. He also served as an intermediary

between Batoul Rida and a Russian firm on an attempted procurement of ammonium nitrate in late 2013. Khuri also owns or controls five of the entities designated today.

Kirsan Ilyumzhinov was designated today for materially assisting and acting for or on behalf of the Government of Syria, Central Bank of Syria, Adib Mayaleh, and Batoul Rida. Ilyumzhinov is a wealthy Russian businessman, former president of the Russian Republic of Kalmykia, and long-time World Chess Federation president. He is linked to financial transactions involving Khuri-associated companies as early as 1997 and owns or controls the Russian Financial Alliance Bank, along with Khuri. An advisor to Ilyumzhinov, then-President of Kalmykia, was convicted in Russia in 1999 for the murder of an opposition journalist who reportedly was investigating an offshore business registration mechanism in Kalmykia tied to Ilyumzhinov. Russian authorities subsequently closed the offshore business registration mechanism after concluding that it was being used for illegal purposes.

OFAC designated Russian Financial Alliance Bank (RFA Bank) today for being owned or controlled by Khuri and Ilyumzhinov. Khuri is the Chairman of the Board of Directors of RFA Bank, and Ilyumzhinov is a major shareholder of RFA Bank and former Chairman of the Board of Directors of RFA Bank. At the time of his Chairmanship, Ilyumzhinov reportedly brought in his own representatives to the bank.

Nicos Nicolaou was designated today for materially assisting and acting for or on behalf of designated entities and individuals including the Government of Syria, Ioannis Ioannou, Piruseti Enterprises Ltd., and Khuri. OFAC designated Ioannis Ioannou and Piruseti Enterprises Ltd. pursuant to E.O. 13582 in October 2014. As part of his responsibilities as a director and officer for numerous Khuri-linked companies, Nicolaou authorized a decision in mid-2014 for Cyprus-based Primax Business Consultants Limited to open euro, U.S. dollar, and ruble bank accounts at a Russian bank for a company partially owned by Khuri.

OFAC designated Primax Business Consultants Limited (Primax) today for being owned or controlled by, materially assisting, and acting for or on behalf of designated entities and individuals including the Government of Syria, Ioannou, Khuri, and Nicolaou. Nicolaou is the Director and Secretary of Primax.

Hudsotrade Limited (Hudsotrade) was designated today for being owned or controlled by Khuri, Nicolaou, and Primax. Khuri is the Deputy Head Company Representative of Hudsotrade, Nicolaou is a Director of Hudsotrade, and Primax is the Secretary of Hudsotrade.

OFAC designated Ezegoo Investments Ltd. today for being owned or controlled by Ioannou, Khuri, Nicolaou, and Primax. Ioannou, Khuri, and Nicolaou are Directors of Ezegoo, and Primax is a Secretary of Ezegoo.

Kremsont Commercial Inc. (Kremsont) was designated today for being owned or controlled by Khuri and acting for or on behalf of the Government of Syria. Kremsont is a Belizean front company whose director is Russia-based Syrian businessman Khuri.

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

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