

## U.S. DEPARTMENT OF THE TREASURY

# Treasury Sanctions Companies for Enabling the Shipment and Sale of Iranian Petrochemicals

September 3, 2020

### *Treasury Designates Front Companies of Triliance Petrochemical and Zagros Petrochemical*

**Washington** – Today, the U.S. Department of the Treasury’s Office of Foreign Assets Control (OFAC) designated six entities for their support to Triliance Petrochemical Co. Ltd. (Triliance), an entity designated by Treasury in January 2020, and related activities. These entities, based in Iran, UAE, and China, support Triliance’s continued involvement in the sale of Iranian petrochemical products, including efforts by Triliance to hide or otherwise obscure its involvement in sales contracts. Iranian petrochemical sales remain a key revenue source for the Iranian regime, helping to finance its destabilizing support to corrupt regimes and terrorist groups throughout the Middle East and, more recently, Venezuela.

Additionally, the Department of State imposed today sanctions on five entities for knowingly engaging in a significant transaction for the purchase, acquisition, sale, transport, or marketing of petroleum or petroleum products from Iran. The Department of State also sanctioned three individuals who are principal executive officers of the sanctioned entities.

“The Iranian regime uses revenue from petrochemical sales to continue its financing of terrorism and destabilizing foreign agenda,” said Treasury Secretary Steven T. Mnuchin. “The Trump administration remains committed to targeting



those contributing to Iran’s attempts to evade U.S. sanctions by facilitating the illicit sale of Iranian petroleum products around the world.”

[These entities are being designated pursuant to section 1\(a\)\(iii\)\(B\) of Executive Order \(E.O.\) 13846.](#)

## BACKGROUND

In January 2020, OFAC sanctioned Triliance and three other petrochemical and petroleum companies that have collectively transferred the equivalent of hundreds of millions of dollars’ worth of exports from the National Iranian Oil Company (NIOC), which helps to finance Iran’s Islamic Revolutionary Guard Corps-Qods Force (IRGC-QF) and its terrorist proxies. Iran’s petroleum and petrochemical industries are major sources of revenue for the Iranian regime and fund its malign activities throughout the Middle East. Triliance has used various front companies to purchase, or facilitate the purchase and movement of, petrochemical products from Iran, and the entities targeted today help facilitate Iran’s petrochemical and petroleum exports in contravention of U.S. economic sanctions.

## SANCTIONS EVASION

In March 2020, Iranian company Zagros Petrochemical Company (Zagros) agreed to sell Triliance hundreds of thousands of metric tons of Iranian petrochemicals during the year 2020. Triliance used Petrotech FZE (Petrotech), a UAE-based entity, as a purchaser of the petrochemical products it purchased from Zagros. Triliance used Petrotech to hide its involvement in petrochemical deals, including directing other companies to bill to Petrotech rather than Triliance. Petrotech has purchased tens of thousands of tons of petrochemicals from Zagros on behalf of Triliance. Triliance uses numerous other companies to hide its involvement in petrochemical sales. Triliance used



UAE-based Trio Energy DMCC (Trio Energy) to broker the sales of tens of thousands of metric tons of petroleum products, using Trio Energy accounts to settle fees owed by Triliance. Likewise, Triliance used Jingho Technology Co. Limited and Dynapex Energy Limited, both Chinese entities based in Hong Kong, to facilitate the shipment and resale of tens of thousands of metric tons of petrochemical products worth millions of dollars to an Asian country.

OFAC is also designating Dinrin Limited (Dinrin), a Chinese entity based in Hong Kong used by Zagros to hide its involvement in petrochemical sales to Triliance. Dinrin helped process millions of dollars in proceeds of Zagros' sale of petroleum products to companies in Asia, including being the beneficiary of a multi-million dollar payment made for a shipment of a petroleum product that Zagros sold to Petrotech.

Zagros Petrochemical Company, Petrotech FZE, Jingho Technology Co. Limited, Dynapex Energy Limited, and Trio Energy DMCC are being designated, [pursuant to section 1\(a\)\(iii\)\(B\) of E.O. 13846](#), for having materially assisted, sponsored, or provided financial, material, or technological support for, or goods or services to or in support of, Triliance. Dinrin Limited is being designated, pursuant to section 1(a)(iii)(B) of E.O. 13846, for having materially assisted, sponsored, or provided financial, material, or technological support for, or goods or services to or in support of, Zagros.

## **SANCTIONS IMPLICATIONS**

All property and interests in property of these persons designated today subject to U.S. jurisdiction are blocked, and U.S persons are generally prohibited from engaging in transactions with them. In addition, foreign financial institutions that knowingly facilitate significant transactions for, or persons that provide material or certain other support to, the persons designated today risk



exposure to sanctions that could sever their access to the U.S. financial system or block their property and interests in property under U.S. jurisdiction.

[View identifying information on the entities designated today.](#)

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