



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

OFAC Advisory to the Maritime Petroleum Shipping Community

Issued: September 11, 2024
Subject: Sanctions Risks Related to Petroleum Shipments involving Iran and Syria

The U.S. Department of the Treasury's Office of Foreign Assets Control (OFAC) is issuing this updated advisory to alert persons globally to the significant U.S. sanctions risks for parties involved in petroleum shipments to the Government of Syria.¹ This advisory also contains an updated annex, providing a list of vessels that have been involved in fuel shipments to Syria and are currently identified as blocked property on OFAC's List of Specially Designated Nationals and Blocked Persons (SDN List). Some of these shipments and transfers have involved Iranian-origin oil, and countries such as Iran and Russia have continued to provide petroleum shipments to the Government of Syria.

Petroleum shipments to Syria create significant sanctions risk under one or more sanctions programs for entities and individuals in the shipping industry, including shipping companies, vessel owners, managers, operators, insurers, and financial institutions. Those who in any way facilitate the financial transfers, logistics, or insurance associated with such petroleum shipments to Syria are at risk of being targeted by the United States for sanctions. The United States is committed to disrupting illicit financial and other support to the Government of Syria, to include transporting petroleum to its state-owned and state-operated ports, regardless of the location or nationality of those facilitating such support.

The United States and its international partners are committed to promoting accountability for the Assad regime, denying the Assad regime and its supporters access to the global financial and trade system, and ensuring justice for the Syrian people by prohibiting funding of the regime absent progress toward a political solution to the Syrian conflict in line with UN Security Council Resolution 2254. The United States and European Union (EU) maintain sanctions programs against Syria, and the United States will continue to maximize pressure on the Assad regime and will continue imposing financial costs on the Assad regime and its network of financial and logistics facilitators.

Sanctions Risks and OFAC Authorities

U.S. sanctions regulations broadly prohibit trade and other transactions, subject to U.S. jurisdiction, with the Government of Syria. They also include the authority to sanction non-U.S. persons for providing support to the Government of Syria as defined by

¹ Note that this updated advisory replaces the one previously issued in coordination with the U.S. Department of State and the U.S. Coast Guard on March 25, 2019.

31 C.F.R. § 542.308 under the Syrian Sanctions Regulations, 31 C.F.R. part 542 (SySR)² – including those who deliver or finance petroleum shipments, unless such activity is separately exempt or authorized. Similarly, individuals and entities knowingly engaged in certain transactions relating to the purchase, acquisition, sale, transport, or marketing of petroleum or petroleum products from Iran or providing material support to certain Iran-related persons on OFAC’s SDN List risk being sanctioned under U.S. sanctions authorities relating to Iran, unless an exception applies.

A high-level overview of these sanctions authorities follows. However, this overview is not intended to be a comprehensive summary of all U.S. sanctions authorities related to Syria and Iran. More information on the Syria and Iran sanctions programs can be found on Treasury’s website at <https://ofac.treasury.gov/sanctions-programs-and-country-information>. Please note this section is current as of the date of this advisory. The most up-to-date information can be found on Treasury’s website and the hyperlinks below.

Syria

The U.S. government will continue to pursue sanctions against those who provide significant financial, material, or technological support to the Assad regime, for example, by facilitating exports to or imports from the Government of Syria, including government-owned entities, unless such exportation or importation is otherwise exempt or authorized.

The United States also prohibits, among other things, transactions subject to U.S. jurisdiction that, directly or indirectly, involve the Government of Syria, or entities sanctioned under the SySR, unless authorized or exempt (see, e.g., 31 C.F.R. 542.201, “Blocking Property of the Government of Syria and Prohibiting Certain Transactions with Respect to Syria”).

[The Caesar Syria Civilian Protection Act of 2019](#) (Caesar Act) mandates the imposition of sanctions on any foreign person who knowingly provides significant financial, material, or technological support to, or knowingly engages in a significant transaction with, the Government of Syria, among others.

Iran

The United States remains committed to enforcing sanctions against those who engage in prohibited transactions under the Iranian Transactions and Sanctions Regulations, 31 C.F.R. part 560 (ITSR), and will continue to aggressively target those involved in sanctionable activities under other Iran-related sanctions authorities. For example, pursuant to U.S. sanctions authorities, non-U.S. persons—including foreign financial institutions—may be subject to sanctions for knowingly conducting significant transactions for, or knowingly providing significant support to, certain Iran-related persons on OFAC’s

² For the purposes of the SySR, the term Government of Syria is defined in 31 CFR 542.308 to include: (a) the state and the Government of the Syrian Arab Republic, as well as any political subdivision, agency, or instrumentality thereof, including the Central Bank of Syria; (b) any entity owned or controlled, directly or indirectly, by the foregoing, including any corporation, partnership, association, or other entity in which the Government of Syria owns a 50 percent or greater interest or a controlling interest, and any entity which is otherwise controlled by that government; (c) any person that is, or has been, acting or purporting to act, directly or indirectly, for or on behalf of any of the foregoing; and (d) any other person determined by OFAC to be included within (a) through (c).

SDN List, including the National Iranian Oil Company, the National Iranian Tanker Company, and the Islamic Republic of Iran Shipping Lines, unless an exception applies.

OFAC administers and enforces a comprehensive trade embargo against Iran as set forth in the ITSR and Executive orders issued under the authority of the International Emergency Economic Powers Act, 50 U.S.C. § 1701 *et seq.*, and other statutes. The ITSR prohibits most direct and indirect transactions with Iran by U.S. persons or within the United States, unless authorized by OFAC or exempted by statute.³ Further, absent an applicable exemption or OFAC authorization, foreign persons, including foreign financial institutions, are prohibited from processing transactions to or through the United States in violation of these prohibitions. This includes transactions through U.S. correspondent accounts for or on behalf of Iranian financial institutions, other persons located in Iran, or where the benefit of those services is otherwise received in Iran.

Deceptive Shipping Practices

Even as the United States maintains sanctions on the Government of Syria, persons in the petroleum shipping industry continue to deploy deceptive practices by obfuscating the destination and recipient of oil shipments in the Mediterranean Sea ultimately destined for Syria. The following list provides examples of the types of tactics used to obfuscate the destination of petroleum bound for Syria.

Falsifying Cargo and Vessel Documents: Complete and accurate shipping documentation is critical to ensuring all parties to a transaction understand the parties, goods, and vessels involved in each shipment. Bills of lading, certificates of origin, invoices, packing lists, proof of insurance, and lists of last ports of call are examples of documentation that typically accompanies a shipping transaction. Shipping companies have been known to falsify vessel and cargo documents to obscure the destination of petroleum shipments.

Ship to Ship (STS) Transfers: STS transfers are a method of transferring cargo from one ship to another while at sea rather than while located in port. STS transfers, while often legitimate, can be utilized by malign actors to conceal the true origin or destination of cargo.

Manipulating Automatic Identification System (AIS): AIS is a collision avoidance system, which transmits, at a minimum, a vessel's identification and select navigational and positional data via very high frequency (VHF) radio waves. While AIS was not specifically designed for vessel tracking, it is often used for this purpose via terrestrial and satellite receivers feeding this information to commercial ship tracking services. Ships meeting certain tonnage thresholds and engaged in international voyages are required to carry and operate AIS; however, vessels carrying petroleum to Syria have been known to intentionally manipulate their AIS transponders to mask their movements. This tactic can conceal the destination of cargo intended for the Government of Syria.

³ The ITSR also prohibits entities owned or controlled by a United States person and established or maintained outside the United States ("U.S.-owned or -controlled foreign entities") from knowingly engaging in any transaction directly or indirectly with the Government of Iran or any person subject to the jurisdiction of the Government of Iran that would be prohibited by the ITSR if the transaction were engaged in by a United States person or in the United States.

Vessel Name Changes: The owners of vessels that have engaged in illicit activities are known to change the name of a vessel in order to obfuscate its prior illicit activities. For this reason, it is essential to research a vessel not only by name, but also by its International Maritime Organization (IMO) number.

Risk Mitigation Measures

Commercial entities are strongly encouraged to conduct sufficient due diligence to ensure that transactions do not run afoul of U.S. sanctions, which in addition to sanctions risks, can create exposure to business and reputational risks. The risk of engaging in prohibited activity or processing prohibited transactions can be potentially mitigated by implementing the following types of measures.

Strengthen Anti-Money Laundering/Countering the Financing of Terrorism (AML/CFT) Compliance: Financial institutions and companies are strongly encouraged to employ risk mitigation measures consistent with Financial Action Task Force standards designed to combat money laundering, and terrorist and proliferation financing. This includes the adoption of appropriate due diligence policies and procedures by financial institutions and non-financial gatekeepers and promoting beneficial ownership transparency for legal entities, particularly as related to the scenarios outlined above.

Monitor for AIS Manipulation: There can be legitimate reasons for AIS to be turned off or “go dark” (e.g., passage through waters at high-risk of piracy or due to other security considerations). In such situations, it is advisable for ships to turn off their AIS to evade threats, and thus should not be considered a red flag for illicit activity. However, ship registries, insurers, charterers, vessel owners, or port operators should consider investigating vessels that appear to have turned off their AIS transponders for extended periods or unknown reasons while operating in the Mediterranean and Red Seas. Any other signs of manipulating AIS data should be considered red flags for potential illicit activity and should be investigated fully prior to continuing to provide services to, processing transactions involving, or engaging in other activities with such vessels.

Review All Applicable Shipping Documentation: Individuals and entities processing transactions pertaining to shipments potentially involving petroleum bound for Syria or involving oil from Iran should ensure that they request and review complete and accurate shipping documentation. Such shipping documentation should reflect the details of the underlying voyage and reflect the relevant vessel(s), flagging, cargo, origin, and destination. Any indication that shipping documentation has been manipulated should be considered a red flag for potential illicit activity and should be investigated fully prior to continuing with the transaction. In addition, documents related to STS transfers should demonstrate that the underlying goods were delivered to the port listed on the shipping documentation.

Know Your Customer: As a standard practice, those involved in the maritime petroleum shipping community, including vessel owners and operators, are advised to conduct Know Your Customer (KYC) due diligence. KYC due diligence helps to ensure that those in the maritime petroleum shipping community are aware of the activities and transactions they engage in, as

well as the parties, geographies, and country-of-origin and destination of the goods involved in any underlying shipments. This includes not only researching companies and individuals, but also the vessels, vessel owners, and operators involved in any contracts, shipments, or related maritime commerce. Best practices for conducting KYC on a vessel includes researching its IMO number, which may provide a more comprehensive picture of the vessel's history, travel patterns, ties to illicit activities, actors, or regimes, and potential sanctions risks associated with the vessel or its owners or operators.

Clear Communication with International Partners: Parties to a shipping transaction may be subject to different sanctions regimes depending on the parties and jurisdictions involved, so clear communication is a critical step for international transactions. Discussing applicable sanctions frameworks with parties to a transaction can ensure more effective compliance.

Leverage Available Resources: There are several organizations that provide commercial shipping data, such as ship location, ship registry information, and ship flagging information. This data should be incorporated into due diligence best practices, along with available information from OFAC as outlined below in the "Syria Sanctions Resources" section of this advisory.

Consequences of Violating U.S. Sanctions or Engaging in Sanctionable Conduct

Individuals and entities engaged in shipping-related transactions or transfers destined for the Government of Syria or its controlled entities or instrumentalities, or certain transactions involving petroleum or petroleum products from Iran or certain Iran-related persons on the SDN List, should be aware that engaging in such conduct may result in designation or other sanctions under U.S. sanctions authorities unless an exception applies. Additionally, foreign financial institutions risk being sanctioned for conducting or facilitating any significant transaction or transactions or providing any service involving Russia's military-industrial base, including any person blocked pursuant to Executive Order (E.O.) 14024. See section 11 of E.O. 14024, as amended by E.O. 14114. Please see the Russian Harmful Foreign Activities Sanctions webpage for more information on relevant authorities under E.O. 14024.

In addition, violations of the ITSR or SySR could result in civil enforcement actions or criminal penalties for persons or transactions subject to U.S. jurisdiction. Additionally, non-U.S. persons may be subject to U.S. jurisdiction in certain situations. For example, non-U.S. persons are prohibited from causing or conspiring to cause U.S. persons to violate U.S. sanctions, as well as engaging in conduct that evades U.S. sanctions. As described above, non-U.S. persons, including non-U.S. financial institutions, may face secondary sanctions risk for engaging in activities that are in violation of the CAESAR Act or the ITSR or for providing material support to persons engaged in such activities.

OFAC investigates and enforces violations of its regulations as outlined in its [Economic Sanctions Enforcement Guidelines, 31 C.F.R. part 501, Appendix A](#). OFAC may impose such civil penalties for sanctions violations based on strict liability, meaning that a person subject to U.S. jurisdiction may be held civilly liable even if such person did not know or have reason to

know that it was engaging in a transaction that was prohibited under sanctions laws and regulations administered by OFAC.^{4, 5} For more information regarding civil monetary penalties and other administrative actions taken by OFAC, see the [Civil Penalties and Enforcement Information](#) portion of OFAC’s web site.

Sanctions Resources

For additional guidance regarding the U.S. sanctions program related to Syria and Iran, please consult OFAC’s [FAQs](#) page. For questions or concerns related to OFAC sanctions regulations and requirements, including to disclose a potential violation of U.S. sanctions regulations, please contact OFAC’s Compliance Hotline at <https://ofac.treasury.gov/contact-ofac>. To submit a request for a specific OFAC license, see [OFAC Licensing](#).

⁴ See [Department of Commerce, Department of the Treasury, and Department of Justice Tri-Seal Compliance Note: Obligations of foreign-based persons to comply with U.S. sanctions and export control laws](#) (Mar. 6, 2024).

⁵ Pursuant to Section 4 of the Federal Civil Penalties Inflation Adjustment Act (1990 Pub. L. 101-410, 104 Stat. 890; 28 U.S.C. 2461 note), as amended by the Debt Collection Improvement Act of 1996 (Pub. L. 104-134, 110 Stat. 1321-373) and the Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015 (Pub. L. 114- 74, 129 Stat. 599, 28 U.S.C. 2461 note) (collectively, the FCPIA Act), requires each federal agency with statutory authority to assess civil monetary penalties (CMPs) to adjust CMPs annually for inflation according to a formula described in section 5 of the FCPIA Act.

ANNEX

This Shipping Advisory Annex list includes vessels identified as blocked property on OFAC's SDN List⁶ that have engaged in sanctionable conduct in support of the Government of Syria or entities owned by the Government of Syria.⁷

Ship Name	IMO
ALPHA GAS ⁸	8817693
DEVREZ	9120994
FINIKIA	9385233
JASMINE	9105085
MARINA	9005493
SAN COSMAS ⁹	9274343
SINOPA	9172038
SOBAR	9221970
SOLAN	9155808
SOURIA	9274331
TOUR 2	9364112
YAZ	9735323

⁶ For a comprehensive list of all vessels identified as blocked property pursuant to OFAC authorities, please refer to the complete and most up-to-date SDN List located at <https://ofac.treasury.gov/sanctions-list-service>.

⁷ All transactions by U.S. persons or within (or transiting) the United States that involve any property or interests in property of designated or blocked persons are prohibited unless authorized by a general or specific license issued by OFAC, or exempt. For information concerning the process for seeking removal from OFAC's SDN List, please visit <https://ofac.treasury.gov/faqs/897>.

⁸ Formerly JUNO GAS.

⁹ Formerly LAODICEA.