

Treasury Increases Pressure on Firms Importing Iranian Oil

Today, the Department of the Treasury's Office of Foreign Assets Control (OFAC) is increasing pressure on Iran's export of oil, designating the "teapot" refinery **Hebei Xinhai Chemical Group Co., Ltd.** and three port terminal operators in Shandong Province for their role in purchasing or facilitating the delivery of hundreds of millions of dollars' worth of Iranian oil. These teapot refineries, most of which are located in Shandong Province, purchase the majority of Iranian crude oil exports. OFAC is also imposing sanctions on several companies, vessels, and captains responsible for facilitating Iranian oil shipments as part of Iran's "shadow fleet." This is OFAC's third action against a teapot refinery and its first targeting terminal operators in Shandong Province.

"As part of President Trump's broad and aggressive maximum pressure campaign, Treasury today is targeting another teapot refinery that imported Iranian oil," said **Secretary of the Treasury Scott Bessent**. "The United States remains resolved to intensify pressure on all elements of Iran's oil supply chain to prevent the regime from generating revenue to further its destabilizing agenda."

OIL IMPORTERS

China-based **Hebei Xinhai Chemical Group Co., Ltd.** (Hebei Xinhai) is an independent teapot refinery in Hebei Province that has received multiple shipments of Iranian crude oil worth hundreds of millions of dollars from shadow fleet vessels, some of which have been sanctioned for their role transporting Iranian petroleum, including the URGANE I and HORNET. Hebei Xinhai previously purchased Iranian oil associated with the Iranian military. Hebei Xinhai is the sole shareholder of Singapore-based oil broker **Xing AO Energy PTE. LTD.**

Treasury is also targeting three firms for operating a port terminal at Dongying Port, China which has received several shipments of Iranian oil from shadow fleet vessels since 2024. **Baogang (Dongying Donggang) Logistics and Warehousing Co., Ltd.** is the current controlling shareholder of **Shandong Jingang Port Co., Ltd.**, which operates a terminal in Dongying Port that has received more than one million barrels of Iranian oil from shadow fleet vessels CORONA FUN (IMO 9276573) and VIOLA (IMO 9254915), both which were sanctioned earlier this year. Previously, **Shandong Baogang International Port Co., Ltd.** (Baogang International) was the controlling shareholder of the same terminal in Dongying Port, which, while under the control of Baogang International, received millions of barrels of Iranian oil from shadow fleet vessels, including the SEASKY (IMO 9237412), and CH BILLION (IMO 9276585), each of which were also sanctioned earlier this year.

INCREASING PRESSURE ON SHADOW FLEET ACTORS

Iran's shadow fleet relies on obscure ship management companies to manage its fleet of tankers that Tehran needs to mask Iran's petroleum shipments to China using ship-to-ship (STS)

transfers with sanctioned vessels. The Panama-flagged **STAR TWINKLE 6** (IMO 9256987), **LAMD** (IMO 9320843), **SKADI** (IMO 9230971), and **BIG MAG** (IMO 9263215), Sao Tome and Principe-flagged **IMPALAS** (IMO 9171448), and San Marino-flagged **THANE** (IMO 9237228) have shipped billions of dollars' worth of Iranian petroleum to China and to the Persian Gulf.

Since mid-2024, the STAR TWINKLE 6 has transported millions of barrels of Iranian oil to China, including completing a STS transfer with the sanctioned vessel SERENE I, which was sanctioned on September 25, 2024 for transporting Iranian oil for the IRGC-QF. The LAMD, formerly known as TAI HE, has transported upwards of eight million barrels of Iranian oil to multiple locations in China since mid-2024. The SKADI has facilitated or transported multiple shipments of Iranian petroleum, including condensate, by conducting multiple STS transfers with sanctioned vessels, including the CATALINA 7 and the NATALINA 7, both of which were sanctioned in March 2025 for transporting Iranian oil.

Hong Kong-based **Star Twinkle Shipping Limited**, **Hong Kong Prime Trading Co., Ltd.**, and **Skadi Limited** are the owners of the STAR TWINKLE 6, LAMD, and SKADI respectively. OFAC is designating Star Twinkle Shipping Limited, Hong Kong Prime Trading Company Limited, and Skadi Limited pursuant to E.O. 13902 for operating in the petroleum sector of the Iranian economy. OFAC is identifying the STAR TWINKLE 6, LAMD, and SKADI as blocked property in which Star Twinkle Shipping Limited, Hong Kong Prime Trading Co., Ltd., and Skadi Limited have an interest, respectively.

The BIG MAG has conducted at least two STS transfers with sanctioned National Iranian Tanker Company (NITC) vessels to help deliver up to six million barrels of oil to China since early 2025. The IMPALAS has also transported more than a million barrels of Iranian oil to China, which it received from the tanker ELIZA II, which was sanctioned on December 19, 2024. Finally, the THANE has conducted multiple STS transfers of Iranian petroleum products that were transported to the Persian Gulf.

United Kingdom-based **Propitious Forever Trading Co Ltd**, Hong Kong based-**Embrace Que Limited**, and Marshall Islands-based **Nissho Lines Incorporated** are the owners of the BIG MAG, the IMPALAS, and THANE respectively. OFAC is designating Propitious Forever Trading Company Limited, Embrace Que Limited, and Nissho Lines Incorporated pursuant to E.O. 13902 for operating in the petroleum sector of the Iranian economy. OFAC is identifying the BIG MAG, IMPALAS, and THANE as blocked property in which Propitious Forever Trading Company Limited, Embrace Que Limited, and Nissho Lines have an interest, respectively.

Finally, OFAC is designating two vessel captains who have served for several years onboard sanctioned shadow fleet vessels, providing key services to enable Iran's oil exports. Indian national **Ketan Agarwal** has served as the master of several vessels transporting Iranian oil since 2017, while Indian national **Lincoln Francisco Viegas** has served as the master of two vessels transporting Iranian oil since 2022. Most recently, Ketan Agarwal and Lincoln

Francisco Viegas have operated as the masters of the sanctioned JAYA (IMO 9410387) and LIONESS (IMO 9285744), respectively, both of which were sanctioned in December 2024. Previously, in late 2023, Agarwal served as the captain of the sanctioned BENDIGO, formerly known as LEONOR, which transported more than a million barrels of Iranian crude oil after completing an STS with the sanctioned NITC tanker HILDA I.

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.

Dated 8 May, 2025

