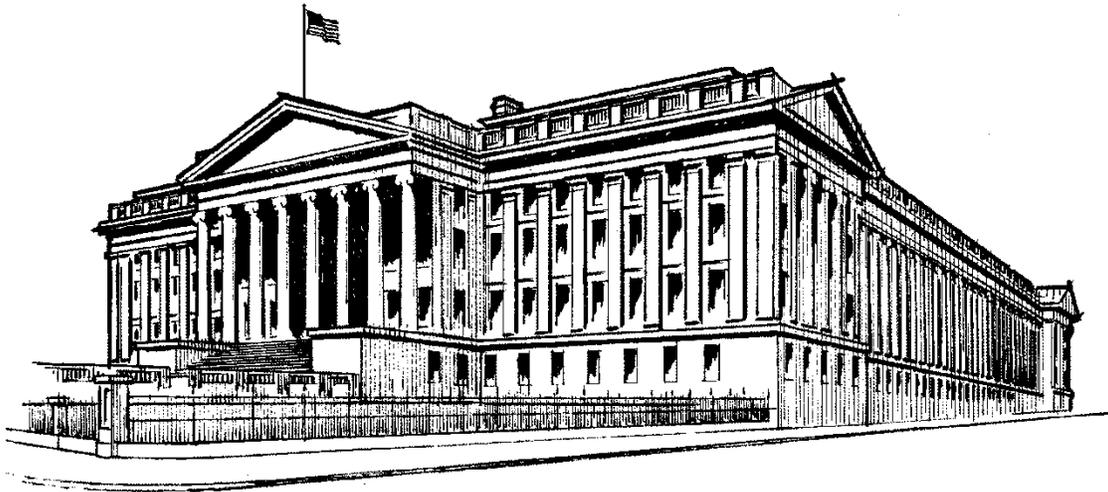


# **TERRORIST ASSETS REPORT**

## **Calendar Year 2015 Twenty-fourth Annual Report to the Congress on Assets in the United States Relating to Terrorist Countries and International Terrorism Program Designees**



**Office of Foreign Assets Control  
U.S. Department of the Treasury**

# **TERRORIST ASSETS REPORT**

**Calendar Year 2015**

**Twenty-fourth Annual Report to the Congress on Assets  
in the United States  
Relating to Terrorist Countries and International Terrorism Program  
Designees**

**OFFICE OF FOREIGN ASSETS CONTROL  
U.S. DEPARTMENT OF THE TREASURY**

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## References

This report cites a number of sanctions-related authorities including executive orders. All of the legal materials cited in this report may be found in the legal section of OFAC's website at the following URL:

<https://www.treasury.gov/resource-center/sanctions/Pages/legal-index.aspx>

## **BACKGROUND**

### **A. Economic Sanctions and Terrorism**

Historically, the U.S. government has used economic sanctions primarily as a tool to pressure foreign governments and regimes, including state sponsors of terrorism. Since 1995, the U.S. government has also used targeted economic sanctions as a tool against international terrorists and terrorist organizations. Following the events of September 11, 2001, President Bush issued Executive Order 13224, significantly expanding the scope of then-existing U.S. sanctions against terrorists and terrorist organizations. The combination of programs targeting international terrorists and terrorist organizations with those targeting terrorism-supporting governments constitutes a wide-ranging assault on international terrorism and its supporters and financiers.

The Department of the Treasury's Office of Foreign Assets Control (OFAC) is the lead office responsible for implementing sanctions with respect to assets of international terrorist organizations and terrorism-supporting countries. OFAC implements these sanctions as part of its general mission to administer and enforce economic and trade sanctions based on U.S. foreign policy and national security goals. In administering and enforcing U.S. economic sanctions programs, OFAC focuses on identifying persons for designation; assisting parties in complying with the sanctions prohibitions through its compliance and licensing efforts; assessing civil monetary penalties against persons violating the prohibitions; working with other U.S. government agencies, including law enforcement, on sanctions-related issues needing coordination; and coordinating and working with other nations to implement similar strategies. Currently, OFAC administers sanctions programs targeting international terrorists and terrorist organizations and their supporters. OFAC also administers sanctions programs relating to those countries that have been designated as state sponsors of terrorism.

### **B. Nature of Blocked Assets**

The blocked asset amounts described below represent amounts frozen under U.S. sanctions programs that block all property and interests in property in the United States or in the possession or control of a U.S. person (or, in the case of Cuba, a person subject to U.S. jurisdiction) of designated or blocked parties. The term "interest" is broadly defined in OFAC's sanctions regulations in Chapter V of Title 31 of the Code of Federal Regulations. An interest in property may be direct or indirect and includes property interests short of full ownership. In many instances, the interest may be partial or contingent.

*Because the blocked assets discussed in this report include assets not actually owned by designated or blocked parties, they are described throughout as assets "relating to" a designated party. Many of the assets may be owned or subject to claims by third parties.*

OFAC regulations generally prohibit any form of judicial disposition of blocked property. However, the Terrorism Risk Insurance Act of 2002 (the TRIA) includes a

provision making certain blocked assets of terrorist parties available to satisfy certain judgments against terrorist parties.

Some, but not all, of OFAC's sanctions prohibitions relating to terrorism entail the blocking, i.e., freezing, of assets. Implementation of programs targeting international terrorist organizations has resulted in the blocking in the United States of more than \$37 million in which there exists an interest of an international terrorist organization or other related designated party.<sup>1</sup>

Approximately \$2.3 billion in assets relating to four (now three) designated state sponsors of terrorism in 2015 have been identified by OFAC as blocked pursuant to economic sanctions imposed by the United States.<sup>2</sup> Unless otherwise noted, this report provides data for the calendar year ending December 31, 2015.

### **C. Nature of OFAC Information Sources**

The sources of information that OFAC uses in this report vary depending on the nature of the sanctions target. With respect to terrorists and terrorist organizations, OFAC relies solely on information that U.S. persons are obligated to report to OFAC with respect to blocked assets. With respect to state sponsors of terrorism, OFAC relies primarily on reports of blocked property when applicable.<sup>3</sup>

### **D. This Report**

Section 304 of Public Law 102-138, as amended by Public Law 103-236 (22 U.S.C. § 2656g) (hereinafter referred to as Section 304) (Tab 1), requires the Secretary of the Treasury, in consultation with the Attorney General and appropriate investigative agencies, to provide an annual report to the Congress concerning the nature and extent of assets held in the United States by terrorism-supporting countries and organizations engaged in international terrorism. The Department of the Treasury submitted its first Terrorist Assets Report (TAR) to the Congress in April 1993. The current report, covering calendar year 2015, is the twenty-fourth successive TAR.

The TAR, which is prepared by OFAC based on information from the Department of the Treasury and other government agencies and non-government parties, is

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<sup>1</sup> This figure may not include certain amounts reported to OFAC as blocked where OFAC is reviewing the appropriateness of the blocking.

<sup>2</sup> Cuba's designation as a state sponsor of terrorism was rescinded on May 29, 2015. See <http://www.state.gov/r/pa/prs/ps/2015/05/242986.htm>. Because Cuba was a designated state sponsor of terrorism for part of 2015, and because assets in which Cuba or a Cuban national has an interest remain blocked under the Cuban Assets Control Regulations, this report includes blocked assets relating to Cuba.

<sup>3</sup> Non-blocked funds relating to state sponsors of terrorism are no longer included in this report due to the fact that values of these data fluctuate during the TAR's reporting period. The non-blocked funds reported in previous TARs were derived from the Department of the Treasury's reporting systems on U.S. international capital movements and portfolio investment. Given the dynamic nature of Treasury's International Capital (TIC) data, OFAC refers readers to the most up-to-date and comprehensive TIC data which is available at the following website: <https://www.treasury.gov/resource-center/data-chart-center/tic/Pages/index.aspx>.

submitted to the Committee on Foreign Relations and the Committee on Finance in the Senate, and to the Committee on Foreign Affairs and the Committee on Ways and Means in the House of Representatives.

The agencies polled in developing this report are listed in Tab 2.

Both funds and real and tangible property are included in this report.<sup>4</sup> Funds are reported in the following exhibit and table:

- Exhibit A contains figures for blocked funds in the United States relating to international terrorist organizations.
- Table 1 contains figures for blocked funds in the United States relating to state sponsors of terrorism.

Descriptions of real and tangible property are reported in Part I, Section E for international terrorist organizations and Part II, Section C for state sponsors of terrorism.

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<sup>4</sup> For purposes of this report, the term “funds” means financial holdings (e.g., cash accounts, securities, and debt obligations).

## **PART I ASSETS RELATING TO INTERNATIONAL TERRORIST ORGANIZATIONS**

Section 304 requires that the Department of the Treasury report on assets with respect to “organization[s] engaged in international terrorism.” For purposes of this report, “organizations engaged in international terrorism” include only those organizations targeted for sanctions under one or more of the three OFAC-administered sanctions programs relating to terrorist organizations as discussed below.

### **A. Programs**

#### **1. Executive Order 13224 - Specially Designated Global Terrorists (SDGTs)**

On September 23, 2001, President Bush declared a national emergency, pursuant to the International Emergency Economic Powers Act, 50 U.S.C. §§ 1701-1706 (IEEPA), and other authorities, in Executive Order 13224 (E.O. 13224), "Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten To Commit, or Support Terrorism" (see OFAC legal document index at <https://www.treasury.gov/resource-center/sanctions/Pages/legal-index.aspx>). E.O. 13224 was issued in response to the grave acts of terrorism and threats of terrorism committed by foreign terrorists, including the terrorist acts committed on September 11, 2001, in New York and Pennsylvania and against the Pentagon, and the continuing and immediate threat of future attacks on U.S. nationals and the United States. The terrorist acts of September 11, 2001, were also recognized and condemned in United Nations Security Council Resolutions (UNSCR) 1368 (September 12, 2001), 1373 (September 28, 2001), and 1390 (January 16, 2002). See also UNSCR 1267 (October 15, 1999) (creating the framework for the “Consolidated List” of individuals and entities associated with Al-Qaida, Usama bin Laden, and the Taliban); UNSCRs 1988 and 1989 (June 17, 2011) (separating the Consolidated List into separate lists targeting individuals and entities associated with the Taliban and Al-Qaida, respectively); UNSCRs 2255 (December 21, 2015) and 2253 (December 17, 2015) (most recent updates to the sanctions regimes targeting the Taliban, the Islamic State of Iraq and the Levant, and Al-Qaida).<sup>5</sup> E.O. 13224 imposes economic sanctions on persons who have been determined to have committed or pose a significant risk of committing acts of terrorism, as well as on persons determined to be owned or controlled by such persons or to provide support to such persons or acts of terrorism. It prohibits transactions or dealings in property or interests in property of any person (i.e., an individual or entity) designated under its authority, including the donation of funds, goods, or services (or receipt of donations of funds, goods, or services), and it blocks all property in the United States or within the possession or control of a U.S. person in which there is an interest of any designated person.<sup>6</sup>

In the Annex to E.O. 13224, President Bush identified 12 individuals and 15

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<sup>5</sup> 242 individuals and 74 entities designated by the United States government pursuant to E.O. 13224 have been listed on the UNSCR 1988 or 1989 Lists.

<sup>6</sup> Executive Order 13372 amends E.O. 13224 to clarify that the order prohibits donations to or receipt of donations from persons determined to be subject to E.O. 13224.

entities whose assets were blocked. The Taliban and its leader were added to the Annex pursuant to Executive Order 13268 (E.O. 13268) (see OFAC legal document index at <https://www.treasury.gov/resource-center/sanctions/Pages/legal-index.aspx>). Subsequently, additional individuals and entities have been identified or designated by the Department of State and the Department of the Treasury. As of December 31, 2015, a total of 976 individuals and entities had been designated and remained listed as “Specially Designated Global Terrorists” or “SDGTs” for having met one or more of the criteria for designation set forth in E.O. 13224 or had been identified as property and interests in property of designated entities and individuals and are therefore blocked.<sup>7</sup>

## **2. Executive Orders 12947 and 13099 - Specially Designated Terrorists (SDTs)**

On January 23, 1995, President Clinton declared a national emergency pursuant to IEEPA and other authorities in Executive Order 12947 (E.O. 12947), "Prohibiting Transactions With Terrorists Who Threaten To Disrupt the Middle East Peace Process" (see OFAC legal document index at <https://www.treasury.gov/resource-center/sanctions/Pages/legal-index.aspx>). E.O. 12947 targets terrorists threatening the Middle East peace process (termed “Specially Designated Terrorists,” or “SDTs”) and prohibits dealings in property or interests in property of any organization or individual designated under its authority, including the donation of funds, goods, or services, and it blocks all property in the United States or within the possession or control of a U.S. person in which there is an interest of any designated person. Twelve terrorist organizations were named in the Annex to E.O. 12947.

On August 20, 1998, President Clinton issued Executive Order 13099 (E.O. 13099) amending E.O. 12947 (see OFAC legal document index at <https://www.treasury.gov/resource-center/sanctions/Pages/legal-index.aspx>) by adding three individuals and one organization to the Annex of E.O. 12947, including Usama bin Ladin and Al-Qaida. As of December 31, 2015, a total of 38 individuals and entities had been identified or designated and remained listed as SDTs.

## **3. Antiterrorism Act of 1996 – Foreign Terrorist Organizations (FTOs)**

On April 24, 1996, the President signed into law the Antiterrorism and Effective Death Penalty Act of 1996, Pub. L. 104-132, 110 Stat. 1247-1258 (the Antiterrorism Act), which authorizes the Secretary of State, in consultation with the Secretary of the Treasury and the Attorney General, to designate organizations meeting stated criteria as FTOs, with prior notification to the Congress of the Secretary’s intent to designate. Section 303 of the Act (18 U.S.C. § 2339B) makes it a crime for persons within the United States or subject to U.S. jurisdiction to knowingly provide material support or resources to a Foreign Terrorist Organization designated under Section 302. Additionally, except as authorized by the Department of the Treasury, U.S. financial institutions in possession or control of funds in which a Foreign Terrorist Organization or

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<sup>7</sup> The 976 SDGTs designated pursuant to E.O. 13224 include 58 Foreign Terrorist Organizations (FTOs) designated by the Secretary of State pursuant to the Antiterrorism and Effective Death Penalty Act of 1996.

its agent has an interest are required to block such funds and report on them to the Department of the Treasury.

As of December 31, 2015, 58 organizations or groups had been designated as FTOs by the Department of State and remained listed as such. These 58 FTOs include 10 of the 12 Middle East terrorist organizations designated under E.O.s 12947 and 13099 and 48 other foreign organizations located in South America, Europe, Asia, and Africa. All 58 of these groups are also designated pursuant to E.O. 13224.

## **B. Administering and Enforcing Terrorism Sanctions**

Terrorists, terrorist groups, and terrorist supporters that are designated pursuant to E.O.s 12947 and 13224, or as an FTO, are placed on OFAC's public list and are generically referred to as "Specially Designated Nationals" or "SDNs." In the context of the terrorism programs, they may be known as SDGTs, SDTs, or FTOs, depending on the individual or entity in question.

U.S. persons<sup>8</sup> are prohibited from conducting unauthorized transactions or having other dealings with or providing services to the designated individuals or entities. Foreign persons may be held liable for effecting such transactions from or through the United States. Any property or property interest of a designated person that comes within the possession or control of a U.S. person is blocked and must be reported to OFAC.

## **C. Impact of Terrorism Sanctions**

The imposition of sanctions by the United States and its international partners against terrorists, terrorist organizations, and their support structures is a powerful tool. Its effects reach far beyond the blocking of terrorist assets. Designating individuals or organizations as SDGTs, SDTs, or FTOs notifies the U.S. public and the world that these parties are either actively engaged in or supporting terrorism or that they are being used by terrorists and their organizations. Notification exposes and isolates these individuals and organizations, denies them access to the U.S. financial system, and, in the case of a UN designation, the global financial system as well. Furthermore, banks and other private institutions around the world frequently consult OFAC's SDN list and report denying listed persons access to their institutions. In addition, the imposition of economic sanctions can assist or complement the law enforcement actions of other U.S. agencies and/or other governments.

## **D. Summary of Blocked Assets Relating to International Terrorist Organizations**

As of December 31, 2015, assets blocked pursuant to E.O.s 12947 and 13224 and 18 U.S.C. § 2339B(a)(2), other than assets blocked due to an interest of a state-

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<sup>8</sup> U.S. persons include: all U.S. citizens, U.S. permanent resident aliens, and foreign nationals present in the United States; U.S. citizens and U.S. permanent resident aliens abroad; corporations organized under U.S. law and foreign companies' branches/subsidiaries located in the United States; and foreign branches of U.S. companies.

owned entity belonging to a state sponsor of terrorism, totaled \$37,634,156. These assets are reported in Exhibit A.<sup>9</sup> Total amounts blocked are subject to change for a number of reasons, including application of the TRIA, which authorizes eligible persons who hold judgments arising out of acts of terrorism to attach certain blocked assets to satisfy their compensatory damages awards.<sup>10</sup> Additionally, fluctuation may occur in the value of blocked assets for reasons that include the authorized withdrawal of blocked funds under various circumstances consistent with overall sanctions policy. In some cases, blocked funds reported in Exhibit A involve funds that were sent to third party organizations that transact with one of the organizations listed in Exhibit A but that do not appear to support those organizations' policy or strategic objectives.

## **E. Real and Tangible Property Relating to International Terrorist Organizations**

The U.S. Government has identified and designated organizations inside the United States that are branches of, or have been determined to provide support to or be owned or controlled by, designated terrorist groups or individuals. The following organizations own blocked real property inside the United States: the Benevolence International Foundation owns real estate in the greater Chicago area; the Islamic American Relief Agency owns an interest in real property in Missouri; and the Al Haramain Islamic Foundation owns real property in Missouri. The specific current values for these real properties are not known. OFAC neither maintains nor conducts valuations or appraisals of real property. In some cases, tax assessments for real property are available from a local tax office, but these assessments may not reflect true market value.

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<sup>9</sup> Certain funds blocked pursuant to E.O. 13224 due to an interest of a state-owned entity belonging to a state sponsor of terrorism are included in Table 1.

<sup>10</sup> Section 201(a) of the TRIA, as amended, provides:

(a) IN GENERAL-Notwithstanding any other provision of law, and except as provided in subsection (b), in every case in which a person has obtained a judgment against a terrorist party on a claim based upon an act of terrorism, or for which a terrorist party is not immune under section 1605A or 1605(a)(7) (as such section was in effect on January 27, 2008) of Title 28, United States Code, the blocked assets of that terrorist party (including the blocked assets of any agency or instrumentality of that terrorist party) shall be subject to execution or attachment in aid of execution in order to satisfy such judgment to the extent of any compensatory damages for which such terrorist party has been adjudged liable.

| <b>EXHIBIT A</b>   |                           |                           |
|--|---------------------------|---------------------------|
| <b><u>Blocked Funds in the United States Relating to SDGT, SDT, and FTO Programs</u></b> |                           |                           |
| <b>ORGANIZATION/RELATED DESIGNEES</b>  | <b>BLOCKED AS OF 2015</b> | <b>BLOCKED AS OF 2014</b> |
| AL-QAIDA   | \$13,063,764              | \$12,782,698              |
| HAMAS  | \$1,250,615               | \$1,220,719               |
| HIZBALLAH  | \$8,277,178               | \$7,128,312               |
| ISLAMIC REVOLUTIONARY GUARD CORPS (IRGC)-QODS FORCE <sup>1</sup>                         | \$14,109,469              | N/A                       |
| ISLAMIC STATE OF IRAQ AND THE LEVANT (ISIL) <sup>2</sup>                                 | \$131,392                 | N/A                       |
| LASHKAR-E JHANGVI  | \$13,186                  | \$1,868                   |
| LASHKAR-E TAYYIBA  | \$121,739                 | \$20,280                  |
| LIBERATION TIGERS OF TAMIL EELAM (LTTE)  | \$599,224                 | \$599,224                 |
| NEW PEOPLE'S ARMY  | \$3,750                   | \$3,750                   |
| PALESTINIAN ISLAMIC JIHAD  | \$63,839                  | \$63,828                  |
| <b>Total Blocked Funds relating to SDGTs, SDTs, and FTOs</b>                             | <b>\$37,634,156</b>       | <b>\$21,820,679</b>       |

1/ IRGC-Qods Force was added to Exhibit A for the first time in 2015 due to blocked accounts and wire transfers in which this organization has an interest.

2/ ISIL was added to Exhibit A for the first time in 2015 due to blocked accounts and wire transfers in which this organization has an interest.

## **PART II ASSETS RELATING TO STATE SPONSORS OF TERRORISM**

### **A. The State Sponsors of Terrorism**

"Terrorist countries" for purposes of this report are the state sponsors of terrorism designated by the Secretary of State under Section 6(j) of the Export Administration Act (50 U.S.C. App. § 2405), Section 40(d) of the Arms Export Control Act (22 U.S.C. § 2780(d)), and Section 620A of the Foreign Assistance Act (22 U.S.C. § 2371). States currently designated as sponsors of terrorism are: Iran, Sudan, and Syria. As noted above, Cuba's designation as a state sponsor of terrorism was rescinded on May 29, 2015. See <http://www.state.gov/r/pa/prs/ps/2015/05/242986.htm>. Because Cuba was a designated state sponsor of terrorism for part of 2015, and because certain assets in which Cuba or a Cuban national has an interest remain blocked, as described below, this report includes blocked assets relating to Cuba.

### **B. Reported Blocked Assets Relating to State Sponsors of Terrorism**

The following information describes the nature and extent of assets held in the United States that are blocked because they relate to Cuba and countries designated as state sponsors of terrorism. These assets include funds reported in Table 1 as well as real and tangible property described in Section C below.

The value, location, and composition of reported blocked assets may change over time based on OFAC's receipt of reports from holders of blocked assets identifying additional assets relating to sanctioned countries; updates of information received from holders of blocked accounts on accrued interest and fluctuating market values; and licensing of various transactions in accordance with United States foreign policy and national security objectives and applicable law. Additionally, there are circumstances under which blocked assets of state sponsors of terrorism may be subject to attachment pursuant to the TRIA or vesting to satisfy foreign policy objectives or meet statutory obligations.

#### **CUBA**

The fund totals relating to Cuba, as set forth in Table 1, are derived from annual reports of blocked property submitted to OFAC pursuant to OFAC's regulations. See 31 C.F.R. § 501.603(b)(2). Because the Cuba sanctions target not only the Government of Cuba, but also its nationals, defined to include entities and individuals located anywhere in the world, the reported figure includes assets in which either the Government of Cuba or a Cuban national has an interest, as defined by OFAC. Some of these assets may be owned by third parties. Even though Cuba's designation as a state sponsor of terrorism was rescinded on May 29, 2015, all assets as of December 31, 2015 are included in this report.

## **IRAN**

The fund totals relating to Iran, as set forth in Table 1, are derived from annual reports of blocked property submitted to OFAC pursuant to OFAC's regulations. See 31 C.F.R. § 501.603(b)(2). Executive Order 13599 of February 5, 2012 blocks all property and interests in property of the Government of Iran and Iranian financial institutions. Assets blocked under Executive Orders 13224 and 13382 that contain an interest of the Government of Iran are also blocked under Executive Order 13599.<sup>11</sup> Executive Order 13622 of July 30, 2012, which was revoked pursuant to Executive Order 13716 on January 16, 2016 to implement U.S. commitments under the Joint Comprehensive Plan of Action of July 14, 2015 (JCPOA), blocked additional assets of persons designated for certain activity connected with the Iranian energy and petrochemical sectors, the Central Bank of Iran, and/or the provision of U.S. dollar bank notes to the Government of Iran. In addition, Executive Order 13645 of June 3, 2013, which was also revoked pursuant to E.O. 13716, implemented certain statutory provisions of the Iran Freedom and Counter-Proliferation Act of 2012, targeting certain transactions and other activity related to the Iranian rial, Iran's automotive sector, and persons that materially assist Iranian persons on the SDN List as well as certain persons whose property and interests in property are blocked under Executive Order 13645 or Executive Order 13599. All of these assets are reported in Table 1. These blocked assets include assets that may be owned by third parties, but which contain an Iranian interest of some kind.

This blocked Iranian property includes property of the Government of Iran that was blocked as a result of the hostage crisis and that has remained blocked since that crisis was resolved in 1981 under OFAC's Iranian Assets Control Regulations, 31 C.F.R. part 535. The property remains blocked in part because of pending claims before the Iran-U.S. Claims Tribunal. Blocked funds in which the Government of Iran has an interest are reported in Table 1. The blocked Iranian diplomatic and consular real and tangible property is described in Section C below. The blocked funds reported in Table 1 include rental proceeds derived from the diplomatic and consular property; the security deposits of the tenants are included in the reported figure. The State Department's Office of Foreign Missions, the custodian of the diplomatic and consular real property, is authorized to use the rental proceeds to maintain the blocked properties in keeping with the treaty obligations of the United States, and certain funds may have been earmarked for these purposes. In addition to the diplomatic and consular real property and rental proceeds, there are six Government of Iran consular accounts that have been blocked since 1981.

## **SUDAN**

The fund totals relating to Sudan, as set forth in Table 1, are derived from annual reports of blocked property submitted to OFAC pursuant to OFAC's regulations. See 31 C.F.R. § 501.603(b)(2). The blocked funds totals may include assets owned by third parties that have been blocked due to an interest, as defined by OFAC, of the

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<sup>11</sup> Property blocked under Executive Order 13599 may also be blocked under other authorities.

Government of Sudan in those assets.

## **SYRIA**

The majority of blocked property in which the Government of Syria has an interest is blocked pursuant to Executive Order 13582 of August 17, 2011. This includes assets that are also blocked pursuant to Executive Order 13573 of May 18, 2011, Executive Order 13382 of June 28, 2005, or Executive Order 13338 of May 11, 2004. These assets are reported in Table 1 and may include assets owned by third parties. Although Executive Order 13399 of April 25, 2006 blocks the property and interests in property of individuals and entities designated by the Secretary of the Treasury, in consultation with the Secretary of State, no assets relating to the individuals and entities presently targeted by such sanctions have been reported to OFAC as blocked. While assets have been blocked pursuant to Executive Order 13460 of February 13, 2008 and Executive Order 13572 of April 29, 2011, it does not appear that the Government of Syria has an interest in these assets and they are not reported here.

### **C. Real and Tangible Property of State Sponsors of Terrorism**

Based on available information, Cuba and each of the current state sponsors of terrorism own diplomatic and consular real property in the United States. Cuba owns six blocked properties located in New York and Washington, D.C. Syria owns four blocked properties located in New York and Washington, D.C. Sudan owns seven blocked properties located in New Jersey, New York, Virginia, and Washington, D.C. Iran owns eleven blocked properties located in California, Illinois, Maryland, New York, Texas, and Washington, D.C.

Bank Melli also has an interest in a building in New York, New York, through its control of Assa Corp. and Assa Co. Limited. Assa Corp. and Assa Co. Ltd. were designated pursuant to Executive Order 13382 in 2008 and their interests in property are blocked.<sup>12</sup>

OFAC does not conduct valuations of tangible property or appraisals of real property. In some cases, tax assessments for real property are available from a local tax office, but these assessments may not reflect a true market value.

In regard to tangible property, Iran has laid claim before the Iran-U.S. Claims Tribunal to miscellaneous blocked and non-blocked military and non-military property that it asserts was in the possession of private entities in the United States when the hostage crisis was resolved in 1981. In response, the United States has asserted, among other arguments, that Iran has failed to identify the property, to establish that the

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<sup>12</sup> As of 2016, the building in which Bank Melli has an interest through its control of Assa Corp. and Assa Co. Ltd. is partly owned by the Alavi Foundation, a non-profit entity incorporated in New York. The U.S. Department of Justice has filed a civil complaint seeking forfeiture of the building and other specified property of the Foundation, Assa Corp., and Assa Co. Ltd. as entities controlled by, and providing services to, the Government of Iran. *United States v. All Right, Title, and Interest of Assa Corp., Assa Co. Ltd, Bank Melli Iran and the Alavi Foundation*, 1:08-cv-10934 (S.D.N.Y.).

property was in existence in 1981, to prove that it owned the property, to show that pre-existing liens have been satisfied, and/or to demonstrate that, due to physical deterioration, obsolescence, or other reasons, the property had anything more than a nominal or negligible value. These issues are pending before the Tribunal.

**TABLE 1**

| <b>Blocked Funds<sup>1</sup> in the United States Relating to State Sponsors of Terrorism</b> |                  |                                   |                             |
|---|------------------|-----------------------------------|-----------------------------|
| <b>(Amounts in millions of U.S. dollars)*</b>   |                  |                                   |                             |
| <b>Country</b>  | <b>2015</b>      | <b>2014 (revised)<sup>2</sup></b> | <b>2014 (from 2014 TAR)</b> |
| <b>CUBA</b>   | \$243.2          | \$270.3                           | \$270.3                     |
| <b>IRAN</b>   | \$1,984.5        | \$1,973.5                         | \$1,973.5                   |
| <b>SUDAN</b>  | \$30.9           | \$27.9                            | \$27.9                      |
| <b>SYRIA</b>  | \$25.9           | \$3.0                             | \$78.3                      |
| <b>TOTAL</b>  | <b>\$2,284.5</b> | <b>\$2,274.7</b>                  | <b>\$2,350.0</b>            |
| *Table Source: Office of Foreign Assets Control   |                  |                                   |                             |

1/ The value of real and tangible property is excluded from the amounts reported in Table 1 and is discussed separately in Part II, Section C.

2/ The amount of blocked funds relating to Syria in 2014 is revised to reflect the turnover order affirmed in June 2014 pursuant to *Gates v. Syrian Arab Republic*, 755 F.3d 568 (7th Cir 2014). OFAC understands that the funds were subsequently turned over and should be excluded from this table. See *Wyatt v. Syrian Arab Republic*, 800 F.3d 331, 339-40 (7th Cir. 2015).

TITLE 22--FOREIGN RELATIONS AND INTERCOURSE

CHAPTER 38--DEPARTMENT OF STATE

Sec. 2656g. Report on terrorist assets in United States

(a) Reports to Congress

Beginning 90 days after October 28, 1991, and every 365 days thereafter, the Secretary of the Treasury, in consultation with the Attorney General and appropriate investigative agencies, shall submit to the Committee on Foreign Relations and the Committee on Finance of the Senate and the Committee on Foreign Affairs and the Committee on Ways and Means of the House of Representatives a report describing the nature and extent of assets held in the United States by terrorist countries and any organization engaged in international terrorism. Each such report shall provide a detailed list and description of specific assets.

(b) Definitions

For purposes of this section--

(1) the term "terrorist countries", refers to countries designated by the Secretary of State under section 2780(d) of this title; and

(2) the term "international terrorism" has the meaning given such term in section 2656f(d) of this title.

(Pub. L. 102-138, title III, Sec. 304, Oct. 28, 1991, 105 Stat. 710; Pub. L. 103-236, title I, Sec. 133(b)(2), Apr. 30, 1994, 108 Stat. 396.)

Amendments

1994--Subsec. (a). Pub. L. 103-236 substituted "Secretary of the Treasury, in consultation with the Attorney General and appropriate investigative agencies," for "Secretary of the Treasury" and inserted at end "Each such report shall provide a detailed list and description of specific assets."

Change of Name

Committee on Foreign Affairs of House of Representatives treated as referring to Committee on International Relations of House of Representatives by section 1(a) of Pub. L. 104-14, set out as a note preceding section 21 of Title 2, The Congress.

**FEDERAL AGENCIES POLLED FOR INFORMATION**

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| Board of Governors, Federal Reserve System  |
| Federal Reserve Bank of New York  |
| Department of the Treasury <ul style="list-style-type: none"><li>• Office of Terrorist Financing and Financial Crime</li><li>• Financial Crimes Enforcement Network</li><li>• Office of Foreign Assets Control</li><li>• Internal Revenue Service</li><li>• Office of International Affairs</li><li>• Office of Intelligence and Analysis</li><li>• Office of Investment Security</li></ul> |
| Department of State <ul style="list-style-type: none"><li>• Office of Foreign Missions</li><li>• Bureau of Counterterrorism</li></ul>   |
| Department of Homeland Security <ul style="list-style-type: none"><li>• Immigration and Customs Enforcement</li><li>• U.S. Customs and Border Protection</li><li>• U.S. Secret Service</li></ul>  |
| Department of Justice <ul style="list-style-type: none"><li>• National Security Division</li><li>• Counterterrorism Section</li><li>• Federal Bureau of Investigation, Counter Terrorism Division</li><li>• Drug Enforcement Administration</li></ul>   |