

March 6, 2015

George Haswani
Owner
HESCO Engineering & Construction Co.
Al- Tijara
Abdoulah Ben Omar St., Al- Horani Bld.
Damascus
Syrian Arab Republic

Re: HESCO's Apparent Facilitation of ISIS Oil Trade

Dear Mr. Haswani:

I am writing on behalf of the Counter Extremism Project (“CEP”), a non-partisan, non-profit international policy organization formed in 2014 to confront the growing threat from extremist groups and extremist ideology. The purpose of this letter is to convey our deepest concern regarding the apparent involvement of your company, HESCO Engineering & Construction Co.’s (“HESCO”), in the illicit oil trade between the Islamic State in Iraq and al-Sham (“ISIS” a.k.a. “ISIL” a.k.a. IS”) and the Syrian government under Bashar al-Assad.

As you know, the terrorist extremist group known as ISIS has seized several oil and gas fields and associated infrastructure across locations in Syria and Iraq. It has been widely reported that ISIS smuggles oil and gas via trucks, tankers, and existing pipelines in order to generate cash revenues from its control of these resources. ISIS is also reportedly selling oil and gas to the Assad regime in Syria including from fields nominally under the control of the titular Syrian state. Due to crippling international sanctions the Assad regime has resorted to buying oil from ISIS to fulfill its energy requirements as part of a “tacit, opportunistic understanding” between the two parties. (Tony Badran, “[Minority Report](#),” in NOW, 5/9/2014)

CEP is therefore alarmed by your alleged involvement in this ISIS-Syria oil trade including your alleged personal handling of transactions and role as middleman “to make cash drops in Palmyra for the Islamic State’s oil.” (all4Syria, “[Who is George Heswani who facilitates the sale and purchase of oil between the Islamic State and the Syrian Regime?](#)” [in Arabic],¹ September 2, 2014)

By employing your pre-existing close ties and influence with the Assad regime – including strong personal ties with Bashar al-Assad himself – you have reportedly been able “to forge a relationship with the group [ISIS] that led to an understanding to transport crude from the

¹ Available at <http://all4syria.info/Archive/165946>.

fields it took over to regime areas, in return for financial and cash transfers, which [you] handled.” (al-akhbar English, “[Maaloula Nun Captors Seek Release of All Islamist Prisoners in Roumieh](#),” 1/27/14; Tony Badran, “[Minority Report](#),” in NOW., 5/9/2014)

Notwithstanding the patent iniquity of assisting such a brutal extremist group, you should carefully consider the potentially severe legal ramifications of your alleged role. As you are no doubt aware, ISIS is designated as a terrorist organization by state governments throughout the world, including the United Kingdom. (UK Home Office, “[Proscribed Terrorist Organisations](#),” 01/23/15) The UK has also applied comprehensive sanctions against a broad range of trades with the Syrian regime through European Union Council Regulations 168/2012 and 36/2012 in response to severe human rights violations committed by the Assad regime against the Syrian people. (UK Government website, “[Embargoes and sanctions on Syria](#),” updated 1/28/15) CEP is cognizant of HESCO’s UK business operations and notes that HESCO is registered in the UK (Company No. 05527424) at a prime London street address, having been incorporated on August 4, 2005.

The U.S. Department of the Treasury has also recently moved to explicitly target individuals and entities who facilitate ISIS’s oil trade. For example, in October 2014, Undersecretary for Terrorism and Financial Intelligence David Cohen spoke of the U.S.’s determination to disrupt oil transactions benefitting ISIS, declaring that, “we will target for financial sanctions anyone who trades in ISIL’s stolen oil.” Undersecretary Cohen also warned that

“The middlemen, traders, refiners, transport companies, and anyone else that handles ISIL’s oil should know that we are hard at work identifying them, and that we have tools at hand to stop them. We not only can cut them off from the U.S. financial system and freeze their assets, but we can also make it very difficult for them to find a bank anywhere that will touch their money or process their transactions.”

(Undersecretary David S. Cohen, “[Remarks of Under Secretary for Terrorism and Financial Intelligence David S. Cohen at The Carnegie Endowment For International Peace, “Attacking ISIL’s Financial Foundation”](#),” 10/23/14) In consultation with the U.S. Treasury, the U.S. President is authorized to impose sanctions on persons who “assist in, sponsor, or provide financial, material, or technological support for, or financial or other services to or in support of, such acts of terrorism...” (U.S. Dept. of the Treasury Office of Foreign Assets Control, “Executive Order 13224: Blocking Property and Prohibiting Transactions with Persons who Commit, Threaten to Commit, or Support Terrorism,” 2/26/15)

President Obama has called for a wide coalition of stakeholders to contribute to the global battle against extremism. In a recent op-ed published in the *Los Angeles Times* the President declared, “We must stand united internationally and here at home...” Recognizing that “military force alone cannot solve this problem...” the President added “[w]e also have to confront the violent extremists – the propagandists, recruiters *and enablers* – who may not directly engage in terrorist acts themselves...” (*LA Times*, “[President Obama: Our fight against violent extremism](#),” 02/18/15 – emphasis added) CEP of course wholly endorses the President’s view.

It appears that you and your company HESCO play an indispensable role in facilitating financial support to ISIS. Please therefore immediately clarify the precise nature of your oil and gas-related business activities in Syria and Iraq as well as the precise details of any such business transactions with ISIS and/or its representatives. Please also clarify the oil and gas-related business activities of HESCO, its subsidiaries and affiliates in Syria and Iraq including but not limited to the Omega Group of companies (including Omega Direct Limited and Omega Agents Limited) and London-based Alfa Procurement & Machinery Limited. Furthermore, please clarify the extent of your relationship, or that of HESCO and its subsidiaries and affiliated companies, with oil and gas infrastructure sites reportedly controlled by ISIS including the Tweinan gas plant, Al-Omar oil field; Al-Tanak oil field; Al-Tim oil; Conoco gas plant; Al-Kharata oil station; Deir oil station; T2 oil station; Al-Shaer gas field and production facility, and; Jihar gas field.

Please let us hear from you within seven days of your receipt of this letter.

We look forward to your response and thank you for your attention to this matter.

Very truly yours,



Ambassador Mark D. Wallace

Cc: The Honorable Bob Corker
Chairman, United States Senate Committee on Foreign Relations

The Honorable Bob Menendez
Ranking Member, United States Senate Committee on Foreign Relations

The Honorable Ed Royce
Chairman, United States House Committee on Foreign Affairs

The Honorable Eliot Engel
Ranking Member, United States House Committee on Foreign Affairs

The Honorable Jeb Hensarling
Chairman, United States House Committee on Financial Services

The Honorable Maxine Waters
Ranking Member, United States House Committee on Financial Services

The Honorable Ted Poe

Chairman, United States House Subcommittee on Terrorism, Nonproliferation, and Trade

The Honorable William Keating

Ranking Member, United States House Subcommittee on Terrorism, Nonproliferation, and Trade

Adam J. Szubin

Director, Office of Foreign Assets Control, U.S. Department of the Treasury