



GAO

Accountability * Integrity * Reliability

United States Government Accountability Office
Washington, DC 20548

December 7, 2012

Congressional Committees

Subject: Firms Reported to Have Sold Iran Refined Petroleum Products or Engaged in Commercial Activities in Iran's Energy Sector

Iran's involvement in illicit nuclear activities, support for terrorism, and abuse of human rights have led the United States, as well as other nations, to impose multiple sanctions in an attempt to curb these activities.¹ According to the Department of State (State), the sanctions are intended to, among other things, target sectors of the Iranian economy relevant to its proliferation activities and block the transfer of weapons and technology related to Iran's missile and nuclear programs. In authorizing sanctions on entities engaging in certain transactions in Iran's energy sector, Congress declared that it is the policy of the United States to deny Iran the ability to support proliferation and terrorism by limiting the development of Iran's energy sector.² The Secretary of State is responsible for determining whether a firm should be sanctioned for its activities in Iran's energy sector.

The United States has imposed these sanctions through various legislation and executive orders, including the Iran Sanctions Act of 1996 (ISA).³ On July 1, 2010, the President signed into law the Comprehensive Iran Sanctions, Accountability, and Divestment Act (CISADA) of 2010, which added new activities for which entities can be sanctioned under ISA.⁴ As amended by CISADA, ISA provides for sanctions to be imposed against persons, including foreign firms, who engage in certain activities in Iran's energy sector, including selling or providing Iran with refined petroleum products or investing more than \$20 million in the

¹For example, see the Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010, Pub. L. No. 111-195, 124 Stat. 1312 and Council Decision 2010/413/CFSP Concerning Restrictive Measures Against Iran and Repealing Common Position 2007/140/CFSP, 2010 O.J. (L 195) 39.

²Iran and Libya Sanctions Act of 1996, Pub. L. No. 104-172, § 3, 110 Stat. 1541. In this report, we use the term "energy sector" to refer to Iran's oil, gas, and petrochemical sectors.

³International Emergency Economic Powers Act, Pub. L. No. 95-223, 91 Stat. 1625 (1977); National Emergencies Act, Pub. L. No. 94-412, 90 Stat. 1255 (1976), and 3 U.S.C. § 301 as implemented by Executive Order 12957, 60 Fed. Reg. 14615 (Mar. 15, 1995) (prohibiting U.S. involvement with petroleum development in Iran), Executive Order 12959, 60 Fed. Reg. 24757 (May 6, 1995) (banning specified exports and investment), and Executive Order 13059, 62 Fed. Reg. 44531 (Aug. 19, 1997) (prohibiting virtually all trade and investment activities with Iran by U.S. persons, wherever located). Iran and Libya Sanctions Act of 1996, Pub. L. No. 104-172, as amended (the name of this law was changed to the Iran Sanctions Act of 1996 by the Iran Freedom Support Act, Pub. L. No. 109-293, 120 Stat. 1344 (2006)).

⁴Pub. L. No. 111-195, § 102, 124 Stat. 1312, 1317-28.

development of Iran's petroleum resources.⁵ On August 10, 2012, the President signed into law the Iran Threat Reduction and Syria Human Rights Act of 2012 (ITRSHRA), which further amended ISA in part by increasing the number of activities for which entities can be sanctioned.⁶

ITRSHRA also requires GAO to submit to the Congress a report "listing foreign investors in Iran's energy sector" for the period beginning on January 1, 2009. The list is "to include entities that exported gasoline and other refined petroleum products to Iran," and "entities involved in commercial transactions of any kind, including joint ventures anywhere in the world, with Iranian energy companies." In response to this requirement, this report identifies (1) firms reported in open sources published between January 1, 2009 and September 30, 2012 to have sold refined petroleum products to Iran during that same time period; and (2) firms reported in open sources published between January 1, 2005 and September 30, 2012 to have had commercial activities in Iran's energy sector during that same time period. In addition, we list the status of each firm's activity as of September 30, 2012. ITRSHRA did not ask us to attempt to determine whether the activities for which the firms are listed in our reports met the legal criteria for sanctionable activities under the ISA, as amended. We plan to issue a report in 2013 that will address other aspects of our reporting requirement under this provision of the ITRSHRA legislation.

To accomplish these objectives, we updated information included in four prior GAO reports. Two of these reports, taken together, identified firms reported in open sources published from January 2009 through December 2011 as having sold refined petroleum products to Iran during that same time period.⁷ The other two reports, taken together, identified firms reported in open sources published from January 2005 through May 2011 as having engaged in commercial activities in Iran's energy sector during that same time period.⁸ This report updates the information in those reports to include information from open sources published through September 30, 2012. As we did in the previous reports, we reviewed open source information, including industry and trade publications, corporate reports and statements, and U.S. Securities and Exchange Commission filings. Regarding petroleum product sales, we listed firms that were reported in open sources to have sold Iran refined petroleum products if, for example, at least three reputable industry publications and/or the firm's corporate statements reported that the firm had done so at some point between January 1, 2012 and September 30, 2012. We defined refined petroleum products to include gasoline, kerosene, diesel fuel, and gas oil. Regarding commercial activities, we included a firm on our list if, for example, at least three reputable industry publications and/or the firm's corporate statements

⁵Pub. L. No. 104-172, § 5, as amended. Sanctions related to the provision of refined petroleum products Iran are authorized when the refined petroleum products have a fair market value of at least \$1 million or, during a 12-month period, have an aggregate fair market value of at least \$5 million. The act also allows for sanctions against persons providing goods, technology, or services to Iran knowing that such provision would contribute materially to Iran's ability to acquire or develop chemical, biological, or nuclear weapons or related technologies, or acquire or develop destabilizing numbers and types of advanced conventional weapons.

⁶Pub. L. No. 112-158, 126 Stat. 1214.

⁷GAO, *Firms Reported in Open Sources to Have Sold Iran Refined Petroleum Products between January 1, 2009, and June 30, 2010*, [GAO-10-967R](#) (Washington, D.C.: Sept. 3, 2010). GAO, *Firms Reported in Open Sources to Have Sold Iran Refined Petroleum Products Declined Since June 30, 2010*, [GAO-12-321R](#) (Washington, D.C.: Jan. 24, 2012).

⁸GAO, *Firms Reported in Open Sources as Having Commercial Activity in Iran's Oil, Gas, and Petrochemical Sectors*, [GAO-10-515R](#) (Washington, D.C.: Mar. 23, 2010). GAO, *Firms Reported in Open Sources as Having Commercial Activity in Iran's Oil, Gas, and Petrochemical Sectors*, [GAO-11-855R](#) (Washington, D.C.: Aug. 3, 2011).

reported the firm to have had commercial activities in Iran's energy sector at some point between June 1, 2011 and September 30, 2012. We defined commercial activity as a firm having signed an agreement to conduct business; invested capital; held an interest in an Iranian energy sector project; or received payment for the provision of goods or services in connection with a specific Iranian oil, gas, or petrochemical project. Regarding sales of refined petroleum products and commercial activities, in cases where a report did not specify the date of such activity, we used the report's date of publication for the date of activity. We did not review the contracts and documents underlying the reported transactions and activities and did not independently verify the transactions and activities. We did not attempt to determine whether the activities for which the firms are listed in our reports met the legal criteria for sanctionable activities under ISA, as amended. The Secretary of State is responsible for making such determinations.

We sent a letter to each firm whose status we had listed as "active" or "insufficient information available" in our January 2012 report on refined petroleum sales or our August 2011 report on commercial activities that had not responded to our previous attempt to contact them, to request comment on activities identified by those open source reviews. We subsequently sent a letter to each firm for which we found at least three open source reports of new activity during our current review period, to request comment on those activities. See enclosure I for a full description of our scope and methodology.

We conducted our work from October 2012 to December 2012 in accordance with all sections of GAO's Quality Assurance Framework that are relevant to our objectives. The framework requires that we plan and perform the engagement to obtain sufficient and appropriate evidence to meet our stated objective and discuss any limitations in our work. We believe that the information and data obtained, and the analysis conducted, provide a reasonable basis for any findings and conclusions.

Results in Brief

Our reviews of open sources published between January 1, 2009 and September 30, 2012 identified a total of 17 foreign firms that were reported to have sold refined petroleum products to Iran during that same time period (see enclosure II). Our review of open sources published from January 2012 through September 2012 indicated that only 1 of these 17 firms—Sytrol—was reported to have sold refined petroleum products to Iran during that same time period. In addition, our open source review and communication with firms indicated that 12 of the 17 firms were reported to have stopped selling these products to Iran before September 30, 2012; however, our review did not identify sufficient information to indicate either that the remaining 4 firms had continued to sell or ceased selling refined petroleum products to Iran at some point between January 1, 2012 and September 30, 2012.

Our reviews of open sources published from January 1, 2005 through September 30, 2012 identified a total of 42 foreign firms that were reported to have had commercial activity in Iran's energy sector during that same time period (see enclosure III). Our review of open sources published from June 1, 2011 to September 30, 2012 indicated that 7 of these 42 firms were reported to have engaged in commercial activities in Iran's energy sector during that same time period. In addition, our open source review and communications with firms indicated that 19 of the 42 were reported to have withdrawn from commercial activities in Iran by June 2011, and 8 more had withdrawn from such activities as of September 30, 2012; however, our review did not identify sufficient information to indicate either that the remaining 8 firms had continued

or ceased engaging in commercial activity in Iran's energy sector at some point between June 1, 2011 and September 30, 2012.

Background

Iran's economy and government rely heavily on revenues from its oil and gas industry. According to the 2012 Central Intelligence Agency World Factbook, Iran is the fifth-largest holder of proven oil reserves in the world and petroleum accounts for approximately 80 percent of Iran's exports.⁹ Iran's crude oil production peaked in 1978 and has not matched that peak since then because of a high rate of natural decline in mature oil fields, limited investment, and sanctions. IHS Global Insight found that Iran's oil sector will require approximately \$25 billion in annual investments to maintain existing production and considerably more to develop and enhance recovery techniques that could lift its daily output from an estimated 4.2 million barrels in 2011 to 5.8 million barrels by 2015.¹⁰ In addition, Iran has limited refinery capacity and has been reliant on imports of refined petroleum products to meet domestic demand for gasoline, according to the Department of Energy.

The August 10, 2012 enactment of ITRSHRA added additional requirements and measures to ISA.¹¹ ISA, as amended, provides for sanctions to be imposed against firms that are determined to knowingly sell or provide Iran with refined petroleum products that (1) have a fair market value of \$1 million or more, or (2) during a 12-month period, have an aggregate fair market value of \$5 million or more.¹² It also provides for sanctions to be imposed on companies that are determined to have made investments of at least \$20 million that directly and significantly contributes to the enhancement of Iran's ability to develop petroleum resources.¹³ As amended, ISA also provides for sanctions to be imposed against persons who knowingly participate, on or after August 10, 2010, in a joint venture established on or after January 1, 2002, where the Government of Iran is a substantial partner or investor or where the Government of Iran could receive knowledge or equipment not already available to it that would enhance Iran's ability to develop domestic petroleum resources.¹⁴ The President, who delegated certain authorities under the act to the Secretary of State, may waive the imposition

⁹Central Intelligence Agency, World Factbook, <https://www.cia.gov/library/publications/the-world-factbook/geos/ir.html>, accessed on November 14, 2012.

¹⁰IHS Global Insight, "Iran," Energy: Report, viewed May 26, 2011. IHS Global Insight provides economic and financial information for the energy industry on a contract basis, including analysis and forecasting for the Iranian oil, gas, and petrochemical sectors discussed in this report.

¹¹Pub. L. No. 112-158, §§ 201-208.

¹²Pub. L. No. 104-172, § 5(a), as amended.

¹³Pub. L. No. 104-172, § 5(a), as amended. The investment must be either at least \$20 million or a combination of investments of at least \$5 million which aggregates to at least \$20 million in a 12-month period.

¹⁴Pub. L. No. 104-172, § 5(a), as amended. Generally, ITRSHRA also extended ISA sanctions to the following commercial activities: (1) engaging in specific activities supporting Iran's refined petroleum sector, (2) contributing to the development of infrastructure that supports the delivery of refined petroleum in Iran, (3) transporting crude oil from Iran, and (4) evasion of sanctions by shipping companies. Pub. L. No. 112-158, Subtitle A. For sanctions to apply to these activities, differing conditions such as dollar-value thresholds must also be met. Pub. L. No. 112-158, Subtitle A.

of sanctions for these activities.¹⁵ State is primarily responsible for implementing ISA as amended.

According to Open Sources, 17 Foreign Firms Sold Iran Refined Petroleum Products at Some Point between January 1, 2009 and September 30, 2012

Our reviews of open sources published between January 1, 2009 and September 30, 2012 identified a total of 17 foreign firms that were reported to have sold refined petroleum products to Iran during that same time period (see enclosure II). Our review of open sources published from January 2012 through September 2012 indicated that 1 of these 17 firms—Syria’s state-owned Sytrol—was reported to have sold gasoline to Iran during that same time period (see table 1). We did not attempt to determine whether the activities for which the firm is listed met the legal criteria for sanctionable activities under ISA, as amended. The Secretary of State is responsible for making such determinations. The Secretary of State imposed sanctions on Sytrol on August 10, 2012 for selling Iran 33,000 metric tons of gasoline valued at over \$36 million (see enclosure IV for a list of foreign firms sanctioned by State pursuant to ISA, as amended).¹⁶

Table 1: Foreign Firm Reported in Open Sources to Have Sold Refined Petroleum Products to Iran at Some Point between January 1, 2012 and September 30, 2012

| Firm | Country ^a | Status in GAO’s January 2012 report | Status in current GAO report |
|-----------|----------------------|-------------------------------------|------------------------------|
| 1. Sytrol | Syria | Not listed | Active |

Source: GAO analysis of open source information.

Notes: For the purposes of this report, we listed a firm’s status as “active” if, for example, three open sources published within the specified time period reported that the firm sold refined petroleum products to Iran during that same time period. A firm’s status in the current GAO report is based on open source reports published between January 1, 2012 and September 30, 2012. See enclosure I for the full scope and methodology.

^aThe country listed in this column is the physical location of the firm as reported in open sources.

In addition, our open source reviews and communications with firms indicated that 12 of the 17 firms were reported to have stopped selling refined petroleum products to Iran before September 30, 2012 (see enclosure II). Our review did not identify sufficient information to indicate either that the remaining 4 firms had continued to sell or ceased selling refined petroleum products to Iran at some point between January 1, 2012 and September 30, 2012 (see table 2).

¹⁵Pub. L. No. 104-172, §§ 4, 9, as amended, and Memorandum: Delegation of Certain Functions and Authorities under the Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010, 75 Fed. Reg. 67025 (Sept. 23, 2010).

¹⁶Public Notice 8040, 77 Fed. Reg. 59034 (Sept. 25, 2012).

Table 2: Foreign Firms for Which There Was Insufficient Open Source Information to Indicate Either That They Had Continued or Ceased Selling Refined Petroleum Products to Iran at Some Point between January 1, 2012 and September 30, 2012

| Firm | Country ^a | Status in GAO's January 2012 report | Status in current GAO report |
|--------------------------------|----------------------|-------------------------------------|------------------------------------|
| 1. China Oil | China | Active | Insufficient information available |
| 2. Petróleos de Venezuela S.A. | Venezuela | Active | Insufficient information available |
| 3. Unipet | China | Active | Insufficient information available |
| 4. Zhuhai Zhenrong | China | Active | Insufficient information available |

Source: GAO analysis of open source information.

Notes: For the purposes of this report, we listed a firm's status as "active," "withdrawn," or "insufficient information available." We listed a firm's status as "active" if, for example, three open sources published within the specified time period reported that the firm sold refined petroleum products to Iran during that same time period. We listed a firm's status as "insufficient information available" if the review of open sources published within the specified time period did not identify sufficient information to indicate either that the firm had continued to sell refined petroleum products to Iran during that same time period (active), or that the firm had ceased making such sales (withdrawn). A firm's status in the current GAO report is based on open source reports published from January 1, 2012 through September 30, 2012. See enclosure I for the full scope and methodology.

^aThe country listed in this column is the physical location of the firm as reported in open sources.

According to Open Sources, 42 Foreign Firms Engaged in Commercial Activity in Iran's Energy Sector at Some Point between January 1, 2005 and September 30, 2012

Our reviews of open source information published from January 1, 2005 through September 30, 2012 together identified 42 foreign firms that were reported to have had commercial activity in Iran's energy sector during that same time period (see enclosure III).¹⁷ Open sources published from June 2011 through September 2012 reported that 7 of these 42 firms had engaged in such commercial activity since our last report on this topic in August 2011 (see table 3). We did not attempt to determine whether the activities for which these firms are listed met the legal criteria for sanctionable activities under ISA, as amended. The Secretary of State is responsible for making such determinations.

Table 3: Foreign Firms Reported in Open Sources As Engaging in Commercial Activity in Iran's Energy Sector at Some Point between June 1, 2011 and September 30, 2012

| Firm | Country ^a | Status in GAO's August 2011 report | Status in current GAO report |
|---|----------------------|------------------------------------|------------------------------|
| 1. China National Petroleum Corporation | China | Active | Active |
| 2. Daelim | South Korea | Active | Active |
| 3. Indian Oil Corporation Ltd. | India | Active | Active ^b |
| 4. Oil India Ltd. | India | Active | Active ^c |
| 5. ONGC Videsh Ltd. | India | Active | Active ^d |
| 6. Sasol | South Africa | Active | Active ^e |
| 7. Sinopec | China | Active | Active |

Source: GAO analysis of open source information.

Notes: For the purposes of this report, we listed a firm's status as "active" if, for example, three open sources published within the specified time period reported that the firm engaged in commercial activity in Iran's energy sector during that same time period. A firm's status in the current GAO report is based on open source reports published from June 1, 2011 through September 30, 2012. See enclosure I for the full scope and methodology.

¹⁷For the purposes of this report, we defined commercial activity as a firm having signed an agreement to conduct business; invested capital; held an interest in an Iranian energy sector project; or received payment for the provision of goods or services in connection with a specific Iranian oil, gas, or petrochemical project.

^aThe country listed in this column is the physical location of the firm as reported in open sources.

^bOpen sources, including the firm's annual report for 2011- 2012, reported Indian Oil Corp., Ltd. as having a 40 percent interest in Iran's Farsi Block gas field; however, the firm notified us that although negotiations had taken place, no agreements had been reached and no contracts to develop the gas field had been signed, and it had decided under the present circumstances not to pursue further work on the Farsi block.

^cOpen sources, including the firm's annual report for 2011-2012, reported Oil India Ltd. as having a 20 percent interest in the Farzad B gas field in Iran's Farsi Block; however, the firm notified us that although negotiations were held, no agreement had been reached and no contracts to develop the gas field had been signed, and it had decided not to pursue further work on the Farsi Block gas field under the present circumstances.

^dOpen sources reported ONGC Videsh Ltd. as having a 40 percent interest in the Farsi Block, an Iranian gas field; however, the firm notified us that although negotiations were held, no agreements had been reached and no contracts to develop the field had been signed, and it had decided not to pursue further work on the Farsi Block gas field under the present circumstances.

^eOpen sources reported that Sasol is currently trying to divest its joint venture.

In addition, our open source reviews and communications with firms indicated that 19 of the 42 firms were reported to have withdrawn from such commercial activity before June 2011, and that 8 more were reported to have withdrawn from such activities by September 30, 2012 (see enclosure III). Our review of open sources did not identify sufficient information to indicate either that the remaining 8 firms had continued to engage or had ceased engaging in commercial activity in Iran's energy sector at some point between June 1, 2011 and September 30, 2012 (see table 4).

Table 4: Foreign Firms for Which There Was Insufficient Open Source Information to Indicate Either That They Had Continued to Engage or Had Ceased Engaging in Commercial Activity in Iran's Energy Sector at Some Point between June 1, 2011 and September 30, 2012

| Firm | Country ^a | Status in GAO's August 2011 report | Status in current GAO report |
|--|----------------------|------------------------------------|------------------------------------|
| 1. Amona | Malaysia | Insufficient information available | Insufficient information available |
| 2. China National Offshore Oil Corporation | China | Active | Insufficient information available |
| 3. INA | Croatia | Active | Insufficient information available |
| 4. Oil and Natural Gas Corporation (ONGC) | India | Active | Insufficient information available |
| 5. Petrofield | Malaysia | Insufficient information available | Insufficient information available |
| 6. Petróleos de Venezuela S.A. | Venezuela | Active | Insufficient information available |
| 7. Petronet LNG | India | Insufficient information available | Insufficient information available |
| 8. SKS Ventures | Malaysia | Insufficient information available | Insufficient information available |

Source: GAO analysis of open source information.

Notes: For the purposes of this report, we listed a firm's status as "active," "withdrawn," or "insufficient information available." We listed a firm's status as "active" if, for example, three open sources published within the specified time period reported that the firm engaged in commercial activities in Iran's energy sector during that same time period. We listed a firm's status as "insufficient information available" if the review of open sources published within the specified time period did not identify sufficient information to indicate that the firm had either continued to engage in commercial activities in Iran's energy sector during that same time period (active) or that the firm had stopped such activity (withdrawn). A firm's status in the current GAO report is based on open source reports published from June 1, 2011 through September 30, 2012. See enclosure I for the full scope and methodology.

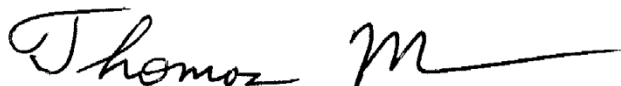
^aThe country listed in this column is the physical location of the firm as reported in open sources.

Agency Comments

We provided a draft of this report to State for comment. State declined to comment.

We are sending copies of this report to appropriate congressional committees and the Secretary of State. In addition, the report is available at no charge on the GAO website at <http://www.gao.gov>.

If you or your staff have any questions about this report, please contact me at (202) 512-9601 or melitot@gao.gov. Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this report. GAO staff who made key contributions to this report are listed in enclosure V.

A handwritten signature in black ink that reads "Thomas M" followed by a long horizontal line.

Thomas Melito
Director, International Affairs and Trade

Enclosures - 5

List of Committees

The Honorable Tim Johnson
Chairman
The Honorable Richard C. Shelby
Ranking Member
Committee on Banking, Housing, and Urban Affairs
United States Senate

The Honorable Max Baucus
Chairman
The Honorable Orrin G. Hatch
Ranking Member
Committee on Finance
United States Senate

The Honorable John Kerry
Chairman
The Honorable Richard G. Lugar
Ranking Member
Committee on Foreign Relations
United States Senate

The Honorable Spencer Bachus
Chairman
The Honorable Barney Frank
Ranking Member
Committee on Financial Services
House of Representatives

The Honorable Ileana Ros-Lehtinen
Chairman
The Honorable Howard Berman
Ranking Member
Committee on Foreign Affairs
House of Representatives

The Honorable Dave Camp
Chairman
The Honorable Sander Levin
Ranking Member
Committee on Ways and Means
House of Representatives

Scope and Methodology

To generate our list of firms that were reported to have provided refined petroleum products to Iran, we used information in our earlier reports on the sale of refined petroleum products to Iran for the period from January 2009 through December 2011.¹⁸ Then we updated that information by reviewing open sources published between January 1, 2012 and September 30, 2012 to identify such sales reported to have occurred during that time period. We searched open source information that was determined to be credible and comprehensive by an information specialist on our staff, who has conducted work on the energy sector and worked for firms that conduct audits in the oil processing industry, such as refining and petrochemical production. For the purposes of our search, we defined refined petroleum products to include gasoline, kerosene, diesel fuel, and gas oil. Open source information is overt and publicly available information. We searched English-language industry and trade publications for reports of such activity by firms at any point during the period between January 1, 2012 and September 30, 2012. Our information specialist used the Nexis Oil and Energy databases, which contain trade publications where more than 60 percent of the stories pertain to the oil and energy industries. Publications include *Oil Daily*, *Oil and Gas News*, *Oil and Gas Journal*, and *Platt's Oilgram News*, among others. The information specialist then screened the publications and excluded sources deemed insufficiently reliable, such as newspaper reports, newswires, and direct news releases from the Iranian government. We also reviewed company publications, annual reports, U.S. Securities and Exchange Commission (SEC) filings, Federal Register Notices, and press releases and corporate statements reporting the sale of refined petroleum products to Iran or for corrected information that had been publicly reported.

To generate our list of firms that were reported to have had commercial activities in Iran's energy sector, we used information in our earlier reports on commercial activities in Iran's energy sector for the period from January 2005 through May 2011.¹⁹ Then we updated that information by reviewing open sources published between June 1, 2011 and September 30, 2012 to identify firms that were reported to have engaged in commercial activity in Iran's energy sector during that period. To do so, we conducted searches in industry publications and company reports and statements published between June 1, 2011 and September 30, 2012. For the purposes of our search, we defined commercial activity as having signed an agreement to conduct business, invested capital, held an interest in an Iranian energy sector project, or received payment for the provision of goods or services in connection with the Iranian oil, gas, or petrochemical sectors. Our information specialist used the same English-language sources that were used to identify sales of refined petroleum products to Iran. The information specialist searched for the specific names of firms identified in our 2011 report, as well as key terms such as "Iran," within 25 words of "explore," "drill," "refinery," "natural gas," and "petroleum." We also searched for locations in Iran where oil, gas, and petrochemical activities were being conducted. In addition, we reviewed company publications, including annual reports; SEC filings, if available; press releases and corporate statements that publicly reported their commercial activities in Iran; or corrected information that had been publicly

¹⁸GAO, *Firms Reported in Open Sources to Have Sold Iran Refined Petroleum Products between January 1, 2009, and June 30, 2010*, [GAO-10-967R](#) (Washington, D.C.: Sept. 3, 2010). GAO, *Firms Reported in Open Sources to Have Sold Iran Refined Petroleum Products Declined Since June 30, 2010*, [GAO-12-321R](#) (Washington, D.C.: Jan. 24, 2012).

¹⁹GAO, *Firms Reported in Open Sources as Having Commercial Activity in Iran's Oil, Gas, and Petrochemical Sectors*, [GAO-10-515R](#) (Washington, D.C.: Mar. 23, 2010). GAO, *Firms Reported in Open Sources as Having Commercial Activity in Iran's Oil, Gas, and Petrochemical Sectors*, [GAO-11-855R](#) (Washington, D.C.: Aug. 3, 2011).

reported. We excluded companies that reported purchasing crude oil or natural gas from Iran because these purchases did not meet our definition of commercial activity in Iran's oil, gas, or petrochemical sectors. Our June 2011 through September 2012 review spans both the period preceding and following the enactment of the Iran Threat Reduction and Syria Human Rights Act of 2012.²⁰ We identified firms reported as having contracts, agreements, and memorandums of understanding to conduct commercial activity in Iran. We did not determine whether the agreements represented final contracts or memorandums of understanding, which are typically nonbinding agreements. When reports varied about certain details of a firm's project, we presented the information reported in the most recent source available.

For both lists, after identifying firms reported in open sources, we confirmed that the reports were reliable and classified the firm's status as "active" for this current reporting period if one of the following criteria had been met: (1) at least three standard industry publications reported that the firm had engaged in the identified activity at any point during the specified time period; (2) the firm provided information on its corporate website about the identified activity at any point during the specified period, and at least one standard industry publication corroborated the firm's activity at any point during this period; or (3) the firm provided information in a corporate report or an SEC filing, or confirmed in a letter to us, that it had conducted the relevant activity during this period. If none of these criteria were met, we did not list the firm as "active" in our tables. We did not review the contracts or documents underlying the transactions and activities reported in open sources and did not independently verify these transactions and activities. We reviewed open source information to identify the reported details of the activities. In cases where dates of activity were not specified in the reports, we used the date of publication for the date of activity. We did not attempt to determine whether the identified activities met the legal criteria for sanctionable activities under the Iran Sanctions Act of 1996, as amended.²¹ The Secretary of State is responsible for making such determinations.

We sent a letter to each firm whose status we had listed as "active" or "insufficient information available" in our January 2012 report on refined petroleum product sales or in our August 2011 report on commercial activities and who had not responded to our previous attempt to contact them, to request comment on activities identified by those open source reviews. We subsequently sent a letter to each firm for which we found at least three open source reports of new activity during our current review period, to request comment on those activities. We searched each firm's official website or the Internet to identify its contact information. If we were unable to confirm delivery of a letter to a firm or find a working address, we (1) e-mailed the firm a letter containing the open source information we had identified and (2) made at least three attempts to contact the firm by telephone during the normal business hours of its headquarters location. As of December 3, 2012, 12 of the firms had responded. We have incorporated their comments into our findings, as appropriate.

We listed a firm's status as "withdrawn" if three separate open sources published during the specified time period reported that the firm had ceased the activity and/or the firm notified us that it had ceased the activity. If our only source of evidence that a firm had ceased the activity was a notification to us from the firm, we listed the firm as "withdrawn" only if our open source review found no new reports of the activity since our last report. If a firm was listed as "withdrawn" in our last report, we continued to list it as "withdrawn" in this report if we did not

²⁰ Pub. L. No. 112-158.

²¹ Pub. L. No. 104-172.

identify three open source reports indicating that it had made sales of refined petroleum products or engaged in commercial activities within the specified time period.

For the purposes of this report, we listed a firm's status as "insufficient information available" if our review of open sources published within the specified time period did not identify at least three open source reports indicating whether the firm had continued or ceased selling refined petroleum products to Iran or engaging in commercial activities in Iran's energy sector. For example, if a firm previously listed as "active" or "insufficient information available" was identified in one or two open source reports as selling refined petroleum products to Iran during the specified time period, we listed the firm's status as "insufficient information available."

We conducted our work from October 2012 to December 2012 in accordance with all sections of GAO's Quality Assurance Framework that are relevant to our objectives. The framework requires that we plan and perform the engagement to obtain sufficient and appropriate evidence to meet our stated objective and discuss any limitations in our work. We believe that the information and data obtained, and the analysis conducted, provide a reasonable basis for any findings and conclusions.

Firms Reported in Open Sources to Have Sold Iran Refined Petroleum Products at Some Point between January 2009 and September 2012

Table 5 compiles information on foreign firms that were reported in open sources published between January 1, 2009 and September 30, 2012 to have sold refined petroleum products to Iran at some point during that same time period. It includes information presented in our September 2010 and January 2012 reports.²² We did not attempt to determine whether the activities for which the firms are listed in our reports met the legal criteria for sanctionable activities under the Iran Sanctions Act of 1996, as amended. The Secretary of State is responsible for making such determinations.

Table 5: Foreign Firms Reported in Open Sources to Have Sold Refined Petroleum Products to Iran at Some Point between January 2009 and September 2012 and Comments Regarding Their Status

| Firm | Country ^a | Status in GAO's September 2010 report | Status in GAO's January 2012 report | Status in current GAO report | Comments |
|--------------------------------|----------------------|---------------------------------------|-------------------------------------|------------------------------------|--|
| 1. Sytrol | Syria | Not listed | Not listed | Active | Open sources reported that the firm sold gasoline to Iran in 2012. The firm had not commented on our findings as of December 3, 2012. |
| 2. China Oil | China | Active | Active | Insufficient information available | Open sources published during our current period of review provided insufficient information to classify the firm as active or withdrawn. The firm had not commented on our findings as of December 3, 2012. |
| 3. Petróleos de Venezuela S.A. | Venezuela | Not listed | Active | Insufficient information available | Open sources published during our current period of review provided insufficient information to classify the firm as active or withdrawn. During our previous reviews, open sources reported that the firm sold petroleum products to Iran in 2011. The firm had not commented on our findings as of December 3, 2012. |
| 4. Unipecc | China | Active | Active | Insufficient information available | Open sources published during the period of our current review provided insufficient information to classify the firm as active or withdrawn. The firm had not commented on our findings as of December 3, 2012. |
| 5. Zhuhai Zhenrong | China | Active | Active | Insufficient information available | Open sources published during the period of our current review provided insufficient information to classify the firm as active or withdrawn. The firm had not commented on our findings as of December 3, 2012. |
| 6. Emirates National Oil | UAE | Active | Insufficient information | Withdrawn | There were no open source reports of the firm selling |

²² GAO, *Firms Reported in Open Sources to Have Sold Iran Refined Petroleum Products between January 1, 2009, and June 30, 2010*, [GAO-10-967R](#) (Washington, D.C.: Sept. 3, 2010). GAO, *Firms Reported in Open Sources to Have Sold Iran Refined Petroleum Products Declined Since June 30, 2010*, [GAO-12-321R](#) (Washington, D.C.: Jan. 24, 2012).

| Firm | Country ^a | Status in GAO's September 2010 report | Status in GAO's January 2012 report | Status in current GAO report | Comments |
|--------------------------------------|----------------------|---------------------------------------|-------------------------------------|------------------------------|---|
| Company | | | available | | petroleum products to Iran during the time period of our current report. The firm notified us that it had stopped selling gasoline to Iran. |
| 7. Glencore | Switzerland | Withdrawn ^b | Withdrawn | Withdrawn | There were no open source reports of the firm selling petroleum products to Iran during the time period of our current report. During our previous reviews, open sources reported that the firm sold gasoline to Iran in 2009 but stopped in 2009. The firm confirmed these reports. |
| 8. Hin Leong Trading | Singapore | Active | Insufficient information available | Withdrawn | There were no open source reports of the firm selling petroleum products to Iran during the time period of our current report. The firm notified us that it had stopped selling gasoline to Iran. |
| 9. Independent Petroleum Group (IPG) | Kuwait | Withdrawn ^b | Withdrawn | Withdrawn | During our previous reviews, open sources reported that the firm stopped selling gasoline to Iran in 2010. The firm confirmed that it sold gasoline to Iran in 2009 and 2010. |
| 10. Litasco | Switzerland | Withdrawn ^b | Withdrawn | Withdrawn | During our previous reviews, open sources reported that the firm sold gasoline to Iran in 2009 and 2010 but stopped in 2010. |
| 11. Petronas | Malaysia | Withdrawn ^b | Withdrawn | Withdrawn | There were no open source reports of the firm selling petroleum products to Iran during the time period of our current report. During our previous reviews, open sources reported that the firm sold gasoline to Iran in 2009 and 2010 but stopped in 2010. |
| 12. Reliance Industries | India | Withdrawn ^b | Withdrawn | Withdrawn | There were no open source reports of the firm selling petroleum products to Iran during the time period of our current report. The firm notified us that it stopped selling gasoline to Iran in May 2009, and that its gasoline export contracts prohibit buyers from selling its gasoline to Iran. |
| 13. Royal Dutch Shell | Netherlands | Withdrawn ^b | Withdrawn | Withdrawn | There were no open source reports of the firm selling petroleum products to Iran during the time period of our current report. The firm notified us that it stopped selling gasoline to Iran in October 2009. |

Enclosure II

| Firm | Country ^a | Status in GAO's September 2010 report | Status in GAO's January 2012 report | Status in current GAO report | Comments |
|---------------|----------------------|---------------------------------------|-------------------------------------|------------------------------|--|
| 14. Total | France | Withdrawn ^b | Withdrawn | Withdrawn | There were no open source reports of the firm selling petroleum products to Iran during the time period of our current report. The firm notified us that it stopped selling gasoline to Iran in May 2010. |
| 15. Trafigura | Switzerland | Withdrawn ^b | Withdrawn | Withdrawn | There were no open source reports of the firm selling petroleum products to Iran during the time period of our current report. The firm notified us that it stopped selling gasoline to Iran in November 2009. During our previous reviews, open sources reported that it stopped in 2010. |
| 16. Tupras | Turkey | Withdrawn ^b | Withdrawn | Withdrawn | There were no open source reports of the firm selling petroleum products to Iran during the time period of our current report. The firm notified us that it stopped selling gasoline to Iran in July 2010. |
| 17. Vitol | Switzerland | Withdrawn ^b | Withdrawn | Withdrawn | There were no open source reports of the firm selling petroleum products to Iran during the time period of our current report. The firm notified us that it stopped selling gasoline to Iran in early 2010. During our previous reviews, open sources reported that it stopped in 2010. |

Source: GAO analysis of open source information.

Notes: The firms are listed in alphabetical order by activity status in the current report.

For the purposes of this report, we listed a firm's status as "active," "withdrawn," or "insufficient information available." We listed a firm's status as "active" if, for example, three open sources published within the specified time period reported that the firm sold refined petroleum products to Iran during that same time period. We listed a firm's status as "withdrawn" if, for example, three open sources published within the specified time period reported that it stopped selling refined petroleum products to Iran during that same time period. We listed a firm's status as "insufficient information available" if the review of open sources published within the specified time period did not identify sufficient information to indicate either that the firm had continued to sell refined petroleum products to Iran during the same time period (active), or that the firm had ceased making such sales (withdrawn). A firm's status in the current report is based on open source reports published from January 1, 2012 through September 30, 2012. See enclosure I for the full scope and methodology.

We listed British Petroleum in our September 2010 report because at least three open sources reported that it sold refined petroleum products to Iran at some point between January 1, 2009 and June 30, 2010, the period covered by our first review. The firm notified us that it stopped selling gasoline to Iran in October 2008, but at the time we did not find open source corroboration of the firm's statement. After our report was issued, open sources confirmed the firm's statement and indicated that the earlier open source reports of the firm's activity were incorrect. Because we did not find three open source reports of British Petroleum selling refined petroleum products to Iran in any of our subsequent open source review time periods, we removed British Petroleum from this list.

^aThe country listed in this column is the physical location of the firm as reported in open sources.

^bFor firms listed as "withdrawn" in the September 2010 report, we found at least three open sources reporting that the firms had sold refined petroleum products to Iran during the specified time period, but also subsequently found at least three open sources reporting that the firms had ended sales of refined petroleum products to Iran during that same time period.

Firms Reported in Open Sources to Have Engaged in Commercial Activity in Iran's Energy Sector at Some Point between January 2005 and September 2012

Table 6 compiles information on firms that were reported in open sources published between January 1, 2005 and September 30, 2012 to have had commercial activity in Iran's energy sector at some point during that same time period. This table includes information presented in our March 2010 and August 2011 reports.²³ We did not attempt to determine whether the activities for which the firms are listed in our reports met the legal criteria for sanctionable activities under the Iran Sanctions Act of 1996, as amended. The Secretary of State is responsible for making such determinations.

Table 6: Foreign Firms Reported in Open Sources to Have Engaged in Commercial Activity in Iran's Energy Sector at Some Point between January 2005 and September 2012 and Comments Regarding Their Status

| Firm | Country ^a | Status in GAO's March 2010 report ^b | Status in GAO's August 2011 report | Status in GAO's current report | Comments |
|---|----------------------|--|------------------------------------|--------------------------------|--|
| 1. China National Petroleum Corporation | China | Active | Active | Active | Open sources published during the period of our current review reported that the firm has an interest in the project to develop the Azadegan Oil Field. The firm had not commented on our findings as of December 3, 2012. |
| 2. Daelim | South Korea | Active | Active | Active | Open sources published during the period of our current review provided insufficient reports to classify the firm as active or withdrawn. However, in response to our current review, the firm contacted us and confirmed its involvement in the development of the South Pars gas fields in Iran and its involvement in gas storage tanks for an LNG project at Tombak. |
| 3. Indian Oil Corporation Ltd. | India | Active | Active | Active | Open sources, including the firm's own annual 2011-2012 report, published during the period of our current review reported that the firm has a 40% interest in the Farsi Block gas field. However, the firm also notified us that the exploration period under its exploration service contract had expired, that it had recently been in negotiations with National Iranian Oil Company (NIOC) but no agreements had been reached nor contracts signed for development of the field, and it had no plans to pursue further work on the Farsi Block. |
| 4. Oil India Ltd. | India | Active | Active | Active | Open sources published during the period of our current review, including the firm's own 2011-2012 annual report, reported that the firm has a 20% interest in the Farsi Block gas field. However, the firm also notified us that the exploration period under its exploration service contract had expired, that it had recently been in negotiations with NIOC but no agreements had been reached nor contracts signed for development of the |

²³ GAO, *Firms Reported in Open Sources as Having Commercial Activity in Iran's Oil, Gas, and Petrochemical Sectors*, [GAO-10-515R](#) (Washington, D.C.: Mar. 23, 2010). GAO, *Firms Reported in Open Sources as Having Commercial Activity in Iran's Oil, Gas, and Petrochemical Sectors*, [GAO-11-855R](#) (Washington, D.C.: Aug. 3, 2011).

| Firm | Country ^a | Status in GAO's March 2010 report ^b | Status in GAO's August 2011 report | Status in GAO's current report | Comments |
|--|----------------------|--|------------------------------------|------------------------------------|--|
| | | | | | field, and it had no plans to pursue further work on the Farsi Block. |
| 5. ONGC Videsh Ltd. | India | Active | Active | Active | Open sources published during the period of our current review reported that the firm has a 40% interest in the Farsi Block gas field. However, the firm also notified us that the exploration period under its exploration service contracts had expired, that it had recently been in negotiations with NIOC but no agreements had been reached, nor contracts signed for development of the field, and it had no plans to pursue further work on the Farsi Block. |
| 6. Sasol | South Africa | Not listed | Active | Active | Open sources published during the period of our current review report that the firm is active in a joint venture in Iran but is looking to divest. The firm recently stated that it is continuing to engage with a number of interested parties in relation to the firm's possible divestiture. |
| 7. Sinopec | China | Active | Active | Active | Open sources published during the period of our current review reported that the firm has a 51% stake in Iran's Yadavaran onshore oil field. The firm had not commented on our findings as of December 3, 2012. |
| 8. Amona | Malaysia | Active | Insufficient information available | Insufficient information available | Open sources published during the period of our current review provided insufficient reports to classify the firm as active or withdrawn. The firm had not commented on our findings as of December 3, 2012. |
| 9. China National Offshore Oil Corporation | China | Active | Active | Insufficient information available | Open sources published during the period of our current review provided insufficient reports to classify the firm as active or withdrawn. The firm had not commented on our findings as of December 3, 2012. |
| 10. INA | Croatia | Active | Active | Insufficient information available | Open sources published during the period of our current review provided insufficient reports to classify the firm as active or withdrawn. The firm notified us that while it had entered into a service contract for the exploration and development of the Moghan 2 Oil Block in 2008, it had not conducted any activity under the contract and had no plans to conduct any activity in Iran. |
| 11. Oil and Natural Gas Corporation (ONGC) | India | Active | Active | Insufficient information available | Open sources published during the period of our current review provided insufficient reports to classify the firm as active or withdrawn. The firm notified us that it is not currently commercially active with respect to any block, field, or project in Iran. |
| 12. Petrofield | Malaysia | Active | Insufficient information available | Insufficient information available | Open sources published during the period of our current review provided insufficient reports to classify the firm as active or withdrawn. The firm had not commented on our findings as of December 3, 2012. |
| 13. Petroleos de Venezuela S.A. | Venezuela | Active | Active | Insufficient information | Open sources published during the period of our current review provided |

| Firm | Country ^a | Status in GAO's March 2010 report ^b | Status in GAO's August 2011 report | Status in GAO's current report | Comments |
|---|------------------------|--|------------------------------------|------------------------------------|--|
| | | | | available | insufficient reports to classify the firm as active or withdrawn. The firm had not commented on our findings as of December 3, 2012. |
| 14. Petronet LNG | India | Active | Insufficient information available | Insufficient information available | Open sources published during the period of our current review provided insufficient reports to classify the firm as active or withdrawn. The firm had not commented on our findings as of December 3, 2012. |
| 15. SKS Ventures | Malaysia | Active | Insufficient information available | Insufficient information available | Open sources published during the period of our current review provided insufficient reports to classify the firm as active or withdrawn. The firm had not commented on our findings as of December 3, 2012. |
| 16. Ashok Leyland Project Services (Hinduja Group) ^c | India (United Kingdom) | Active | Withdrawn | Withdrawn | Open sources published during the period of our previous reviews reported that the firm had withdrawn from commercial activity in Iran. The firm recently notified us that it had made no binding commitments or investments with respect to any oil or gas sector projects in Iran. |
| 17. Belneftekhim/Belarusneft | Belarus | Active | Active | Withdrawn | Open sources published during the period of our current review reported that the firm had withdrawn from all activity in Iran. The firm confirmed to us that it had stopped conducting commercial activity in Iran. |
| 18. Costain Oil, Gas & Process Ltd. | United Kingdom | Active | Withdrawn | Withdrawn | There were no open source reports of the firm conducting commercial activity in Iran during the time period of our current report. |
| 19. Daewoo Shipbuilding & Marine Engineering | South Korea | Active | Withdrawn | Withdrawn | There were no open source reports of the firm conducting commercial activity in Iran during the time period of our current report. |
| 20. Edison | Italy | Active | Active | Withdrawn | Open sources published during the period of our current review reported that the firm had withdrawn from all activity in Iran. The firm confirmed to us that it had stopped conducting commercial activity in Iran. |
| 21. ENI | Italy | Active | Withdrawn | Withdrawn | There were no open source reports of the firm conducting commercial activity in Iran during the time period of our current report. |
| 22. Gazprom | Russia | Active | Insufficient information available | Withdrawn | Open sources published during the period of our current review reported that the firm had withdrawn from commercial activity in Iran. The firm notified us that it had no current investment in Iran's energy sector. |
| 23. GS | South Korea | Active | Withdrawn | Withdrawn | There were no open source reports of the firm conducting commercial activity in Iran during the time period of our current report. |
| 24. Haldor Topsoe | Denmark | Active | Withdrawn | Withdrawn | There were no open source reports of the firm conducting commercial activity in Iran during the time period of our current report. |
| 25. Hyundai Heavy Industries | South Korea | Active | Active | Withdrawn | There were no open source reports of the firm conducting commercial activity in |

| Firm | Country ^a | Status in GAO's March 2010 report ^b | Status in GAO's August 2011 report | Status in GAO's current report | Comments |
|----------------------------------|----------------------|--|------------------------------------|--------------------------------|---|
| | | | | | Iran during the time period of our current report. The firm notified us that it had stopped conducting commercial activity in Iran. |
| 26. Inpex | Japan | Active | Withdrawn | Withdrawn | There were no open source reports of the firm conducting commercial activity in Iran during the time period of our current report. |
| 27. JGC Corporation | Japan | Active | Withdrawn | Withdrawn | There were no open source reports of the firm conducting commercial activity in Iran during the time period of our current report. |
| 28. Lukoil | Russia | Active | Withdrawn | Withdrawn | There were no open source reports of the firm conducting commercial activity in Iran during the time period of our current report. |
| 29. LyondelBasell | Netherlands | Active | Withdrawn | Withdrawn | There were no open source reports of the firm conducting commercial activity in Iran during the time period of our current report. |
| 30. OMV | Austria | Active | Active | Withdrawn | There were no open source reports of the firm conducting commercial activity in Iran during the time period of our current report. The firm notified us that it had stopped conducting commercial activity in Iran. |
| 31. Petrobras | Brazil | Active | Withdrawn | Withdrawn | There were no open source reports of the firm conducting commercial activity in Iran during the time period of our current report. |
| 32. PGNiG | Poland | Active | Insufficient information available | Withdrawn | There were no open source reports of the firm conducting commercial activity in Iran during the time period of our current report. The firm notified us that it had no commercial activity in Iran. |
| 33. PTT Exploration & Production | Thailand | Active | Withdrawn | Withdrawn | There were no open source reports of the firm conducting commercial activity in Iran during the time period of our current report. |
| 34. Repsol | Spain | Active | Withdrawn | Withdrawn | There were no open source reports of the firm conducting commercial activity in Iran during the time period of our current report. |
| 35. Royal Dutch Shell | Netherlands | Active | Withdrawn | Withdrawn | There were no open source reports of the firm conducting commercial activity in Iran during the time period of our current report. |
| 36. Snamprogetti | Italy | Active | Withdrawn | Withdrawn | There were no open source reports of the firm conducting commercial activity in Iran during the time period of our current report. |
| 37. Sonangol | Angola | Not listed | Active | Withdrawn | There were no open source reports of the firm conducting commercial activity in Iran during the time period of our current report. The firm notified us that it had stopped conducting commercial activity in Iran. |
| 38. StatoilHydro | Norway | Active | Withdrawn | Withdrawn | There were no open source reports of the firm conducting commercial activity in Iran during the time period of our current report. |
| 39. Tecnimont | Italy | Active | Insufficient information available | Withdrawn | There were no open source reports of the firm conducting commercial activity in Iran during the time period of our current |

Enclosure III

| Firm | Country ^a | Status in GAO's March 2010 report ^b | Status in GAO's August 2011 report | Status in GAO's current report | Comments |
|-------------------------------|----------------------|--|------------------------------------|--------------------------------|--|
| | | | | | report. The firm notified us that it had no commercial activity in Iran. |
| 40. Total | France | Active | Withdrawn | Withdrawn | There were no open source reports of the firm conducting commercial activity in Iran during the time period of our current report. |
| 41. Turkish Petroleum Company | Turkey | Active | Withdrawn | Withdrawn | There were no open source reports of the firm conducting commercial activity in Iran during the time period of our current report. |
| 42. Uhde | Germany | Active | Withdrawn | Withdrawn | There were no open source reports of the firm conducting commercial activity in Iran during the time period of our current report. |

Source: GAO analysis of open source information.

Notes: The firms are listed in alphabetical order by activity status in the current report.

For the purposes of this report, we listed a firm's status as "active," "withdrawn," or "insufficient information available." We listed a firm's status as "active" if, for example, three open sources published within the specified time period reported that the firm had engaged in commercial activities in Iran's energy sector during that same time period. We listed a firm's status as "withdrawn" if, for example, three open sources published within the specified time period reported that it withdrew from its commercial activities in Iran's energy sector during that same time period. We listed a firm's status as "insufficient information available" if the review of open sources published within the specified time period did not identify three open sources reporting either that the firm had continued its commercial activities in Iran's energy sector (active) or that it had ceased its activities (withdrawn). A firm's status in the current report is based on open source reports published from June 1, 2011 through September 30, 2012. See enclosure I for the full scope and methodology.

^aThe country listed in this column is the physical location of the firm as reported in open sources.

^bBecause ITRSHRA mandated that we provide information since January 1, 2009, we have included information from the 2010 report, which aggregated the data between 2005 and 2009.

^cIn response to our request for comment, Ashok Leyland Project Services (ALPS) in India stated that it, rather than Hinduja Group in the United Kingdom, should be identified as a firm appearing in the table. According to the firm, ALPS is an independent board-managed company.

Foreign Firms Sanctioned by State under the Iran Sanctions Act of 1996 as Amended

Since the enactment of the Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010, the Secretary of State has imposed sanctions under the Iran Sanctions Act of 1996, as amended, on 14 firms for the sale of refined petroleum products to Iran or for investment in Iran's oil, gas, and petrochemical sectors.²⁴ In October 2010 and April 2011, State imposed sanctions on Naftiran Intertrade Company and Belarusneft, respectively. In September 2011, State imposed sanctions against Allvale Maritime Inc., Associated Shipbroking, Petrochemical Commercial Company International, Petróleos de Venezuela S.A., Royal Oyster Group, Société Anonyme Monégasque D'Administration Maritime Et Aérienne, Speedy Ship, Tanker Pacific Management Pte. Ltd. On January 12, 2012, State imposed sanctions on Zhuhai Zhenrong, FAL Oil Company Limited, and Kuo Oil (S) Pte. Ltd., and on August 10, 2012, on Sytrol. According to State, the firms were sanctioned for the following reasons:

- Petrochemical Commercial Company International, Royal Oyster Group, and Speedy Ship were among the largest current suppliers of refined petroleum products to Iran and all three regularly engaged in deceptive practices in order to ship these products to Iran and evade U.S. sanctions.
- Allvale Maritime Inc., Associated Shipbroking, Société Anonyme Monégasque D'Administration Maritime Et Aérienne, and Tanker Pacific Management were sanctioned for their roles in a September 2010 transaction that provided a tanker valued at \$8.65 million to the Islamic Republic of Iran Shipping Lines, an entity that has been determined to have supported Iran's nuclear and missile programs.
- Petróleos de Venezuela S.A., the state-owned oil company of Venezuela, delivered at least two cargoes of reformat, a blending component that improves the quality of gasoline, to Iran between December 2010 and March 2011, worth approximately \$50 million.
- Zhuhai Zhenrong, the largest supplier of refined petroleum products to Iran, brokered the delivery of over \$500 million in gasoline to Iran between July 2010 and January 2011.
- FAL Oil Company Limited, a large independent energy trader based in the UAE, provided over \$70 million in refined petroleum to Iran in multiple shipments in late 2010.
- Kuo Oil (S) Pte. Ltd., an energy trading company, provided over \$25 million in refined petroleum to Iran between late 2010 and early 2011.
- Belarusneft and Naftiran Intertrade Company were sanctioned for their investment in Iran's energy sector.

²⁴ See Public Notice 8040, 77 Fed. Reg. 59034 (Sept. 25, 2012) (imposing sanctions on Sytrol). See also Public Notice 7197, 75 Fed. Reg. 62916 (Oct. 13, 2010) (imposing sanctions on Naftiran Intertrade Company), Public Notice 7408, 76 Fed. Reg. 18821 (Apr. 5, 2011) (imposing sanctions on Belarusneft), Public Notice 7585, 76 Fed. Reg. 56866 (Sept. 14, 2011) (imposing sanctions on Allvale Maritime Inc., Associated Shipbroking, Petrochemical Commercial Company International, Petróleos de Venezuela S.A., Royal Oyster Group, Société Anonyme Monégasque D'Administration Maritime Et Aérienne, Speedy Ship, and Tanker Pacific Management (Singapore) Pte. Ltd.), Public Notice 7776, 77 Fed. Reg. 4389 (Jan. 27, 2012) (imposing sanctions on FAL Oil Company Limited, Kuo Oil (S) Pte. Ltd., and Zhuhai Zhenrong Company).

- Sytrol, Syria's state-run oil company, sold 33,000 metric tons of gasoline worth \$36 million to Iran.

The sanctions prohibit, among other things, various commercial activities in the United States or with U.S.-based firms.²⁵ To identify firms that sell refined petroleum products to Iran, State officials indicated that State collects and reviews information from numerous sources, including open source information, but relies on information from numerous intelligence organizations, including State's Bureau of Intelligence and Research, the Office of the Director of National Intelligence, the Central Intelligence Agency, and the Office of Naval Intelligence.

²⁵The available sanctions include prohibitions on: (1) export assistance from the Export-Import Bank of the United States; (2) licenses for export of U.S. military, "dual use," or nuclear-related goods or technology; (3) private U.S. bank loans exceeding \$10 million in any 12-month period; (4) designation as a primary dealer in U.S. Government debt instruments or service as a repository of U.S. Government funds, if the sanctioned person is a financial institution; (5) procurement contracts with the U.S. Government; (6) foreign exchange transactions subject to U.S. jurisdiction; (7) banking transactions, involving any interest of the sanctioned person, that are subject to U.S. jurisdiction; (8) transactions with respect to property and interests in property subject to U.S. jurisdiction; (9) imports from the sanctioned person, in accordance with the International Emergency Economic Powers Act; (10) ban on investment in equity or debt of the sanctioned person; (11) exclusion (visa ban) of corporate officers or principals of, or a shareholder with a controlling interest in, the sanctioned entity; or (12) sanctions (any of the above) on principal executive officers of sanctioned entities.

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