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U.S. hits two Lebanese exchange firms with sanctions



Washington, AFP

The United States designated two Lebanese foreign exchange firms as significant money launderers on Tuesday, saying they moved money for drug traffickers and benefited the Hezbollah militia. The U.S. Treasury named Kassem Rmeiti & Co. For Exchange and Halawi Exchange Co. for sanctions which freeze any assets they have on U.S. soil and ban Americans and U.S. businesses from any transactions with them. It said both had been used to move money by the Ayman Joumaa narcotics network, a primary target in recent years of U.S. law enforcement, since the Treasury cracked down on the Lebanese Canadian Bank in 2011 for its alleged money laundering activities. After sanctions deprived the Lebanese Canadian Bank access to key parts of the global financial system, the Treasury said, the Joumaa group used Kassem Rmeiti and Halawi to move its money, including passing millions through other banks into the United States to buy used cars, which are then exported to West Africa. Both were linked to Benin-based money launderers and drug groups, according to the Treasury. Both were also tied by the Treasury to money transfers for Hezbollah or officials of Hezbollah, which Washington has designated a terrorist group. Halawi especially poses "a substantial threat to the U.S. and international financial systems," the Treasury said, due to its "extensive illicit financial activity on behalf of a variety of international narcotics trafficking and money laundering networks." "Today's action reflects the Treasury Department's continuing commitment to target illicit financial networks that launder millions of dollars in funds for narcotics traffickers and that, in the process, provide substantial financial benefits to the terrorist organization Hezbollah," the Treasury said in a statement.