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Classified By: POLECON CHIEF ROB GARVERICK, REASON 1.5 (B and D)

Summary

1. (S) According to widespread rumor, many Iranians in Baku
are involved full- or part-time in Iranian regime-related
profit making, sanctions-busting, money laundering, and



similar activities. Activities range from assisting Iranian interests "on the side" of pursuing private activities, to working primarily for Iranian government entities. These Iranians' formal businesses in Azerbaijan include factories, construction companies, trading companies, and shops, some of which may be hollow companies hiding illicit or semi-illicit activities. Some are also said to be significant actors in obtaining spare parts and equipment for the Revolutionary Guard, raising revenues and managing money for it and/or regime figures, or managing Iran-origin narcotics trafficking. The list is a "sampler" of the types of personnel and activities singled out to Iran watcher by multiple sources as actively involved in Iranian regime-supportive financial and procurement activities. The list suggests the extensive and complex interconnection of Iranian figures and activities that reportedly support Iranian security organizations and regime figures. End Summary.

2. (S) Baku Iran watcher received the information below from a wide variety of independent Iranian and Azerbaijani sources (strictly protect), including Baku-based Iranian students, business figures, and human rights activists; a Tehran-based Iranian exporter; a prominent businessman working in Iran; the Executive Director of AmCham in Azerbaijan; an Azerbaijani oil company executive; and a local partner in a leading international management consulting firm. In almost all cases the information below was related/confirmed separately by at least three of the above sources.

3. (S) Please note that, while serious efforts have been made to cross-check the information below and ignore "indirect" claims, Iran watcher has no independent ability to verify these allegations. Although some of these figures are well known in Baku and/or among the resident Iranian community, Baku Iran watcher has never met any of them. The information below should be interpreted in this context.

4. (S) Begin List:

A. (S) Jamal Allavi. Three Iranian sources claimed that Allavi is a close relative of the ex-Mayor of Ardebil, and a former colleague/friend of President Ahmedinajad. He now runs several Iranian companies (mostly trading), and is the head of a provincial cooperative organization "Tavanee Marzneshinan Fedayan Velayat," entitled to export and import items with reduced restrictions. Allavi has a house in Baku and frequently travels on business to Azerbaijan, Russia, China, and Kazakhstan. He uses his businesses as a cover for procuring and importing military spare parts and other items needed by the Revolutionary Guard and other Iranian security forces, bribing customs officials as necessary. A fourth Iranian source noted that, while he did not know Allavi, the company name is a "giveaway" of Revolutionary Guard/regime connections.



B. (S) FNU "Lotfi". Runs a large artificial leather factory in Ardebil ("Kharkhaneye Charmeh Masnui"), and other businesses based in Iranian Azerbaijan. He is a close associate of Jamal Allavi (entry "A" above), with whom he cooperates in smuggling activities. He is an officer in the Revolutionary Guard (possibly retired), and his businesses are actually Revolutionary Guard-owned. He travels to Malaysi, Singapore, Dubai, Turkey, and Iraq as well as zerbaijan on Revolutionary Guard business. He als assists Revolutionary Guard and/or Iranian intelligence operations by "getting for them what they need," including communications equipment and technical information.

C. (S) Adil Sharabiani. An Iranian currency exchange dealer with "close links" to Tehran. He was formerly a manager of

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Bank Melli Iran, and currently has a close business relationship with the Xalq Bank, a medium-sized bank in Baku. He came to Azerbaijan after going bankrupt in Iran under murky circumstances. He is wealthy and reportedly works closely with the Iranian "Foundation for the Oppressed" (Banyadeh Mostazafan), overseeing its business and investment activities in Azerbaijan, and advising the management of the Foundation-owned Darya Soap Detergent company in Azerbaijan (headed by one "Farzandeh"). He also assists another Iranian foundation that is providing financial assistance to Azerbaijani refugees from Karabagh with up to 300 Manat per family per month (about \$350).

An Iranian contact said that a friend had recently witnessed Sharabiani delivering five million dollars in cash "from Iran" to the Bank of Baku that was not entered on the books. The Iranian source did not know whether the money represented a personal payment to Sharabiani or a disbursement entrusted to him for some other purpose. The anti-regime source alleged that Sharabiani "periodically" makes such deliveries to the Bank. An Iranian businessman separately told Iran watcher that Sharabiani has "very good relations" with the Iranian government, and is widely assumed by other Iranians to be assisting both regime organizations and individual regime/clerical figures in investment and money laundering activities.

Note: The Xalq Bank was established using former staff of the Bank of Baku (see 'E' below). It is one of the most popular Baku banking venues in Azerbaijan for Iranian businesses and Iranians in Iran. Two other popular banks for Iranians are the "Royal Bank of Baku," owned by an Iranian-American (ref C), and the "Bank of Baku." End Note).

D. (S) Kamal Darvishi. This individual and his three



brothers were famous fighters during the Iran-Iraq war. Kamil rose to the rank of General in the Revolutionary Guard, and formerly had important Teheran-area security and intelligence duties. He and his brother Keyoumars began coming to Azerbaijan regularly ten years ago. Although from a very poor family, they are both extremely wealthy. Kamal owns several road and other infrastructure construction companies in Iran, and formerly effectively controlled much of this sector in Iran (according to a Teheran businessman, "no roads in Iran could be built without him or his friends as a partner.)"

Darvishi formerly ran the "NASR" company, an alleged Revolutionary Guard-controlled business in Iran. Some of his business activities and networking reportedly aroused suspicion, resulting in his official "retirement" from the Revolutionary Guard. In recent years Darvishi has developed a close business relationship/friendship with Azerbaijan Minister of Transportation Ziya Mammedov, and with Mammedov's assistance has won at least eight major road construction and rehabilitation contracts, including contracts for construction of the Baku-Iranian Astara highway, the Baku-Guba highway, and the BaQ ring highway. (Comment: We assume Mammedov is a silent partner in these contracts. Mammedov's immediate family owns Azerbaijan's largest commercial development company, and he is notoriously corrupt even for Azerbaijan. Iran watcher has heard many allegations from Azerbaijani contacts of creative corrupt practices involving highway construction here. End Comment).

Iranian business and student contacts asserted that Darvishi maintains close relations with the Revolutionary Guard and Iranian intelligence. Two noted that he travels freely abroad, in violation of ten-year legal limitations on personal foreign travel by retired senior Revolutionary Guard officers. An Iranian student reported that Darvishi is recruiting among Iranian students in Azerbaijan for work in a new company he is establishing here.

E. (S) Jamsheed "Jushkar" Mahmudoglu. He and his brothers are Iranian Azerbaijanis who have obtained Turkish citizenship. They are large shareholders in the Bank of Baku, which is sometimes presented as a "Turkish bank." They are originally from Tabriz, where the family were wealthy gold and currency dealers who lost their business after the Iranian Revolution. The family fled to Turkey and ultimately

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obtained Turkish passports. Their business deals in Azerbaijan and Iran are frequently entwined with the Oromi brothers, another former Tabrizi-now-Turkish family active in Azerbaijan and Iran. They and the Oromis set up the Silsila



General Trading company in Dubai under the aegis of the NAB Group. In Iran they jointly own a company which produces boilers on license from a German company (Bosch). In Azerbaijan they cooperated in the establishment of the Baku Electronics company and the Bank of Baku (the latter in partnership with the family of former Minister of Economic Development Farhad Aliyev, see below). Unlike the Oromis, Jamsheed reportedly remains a major shareholder in this bank.

Two Iranian sources repeated "rumors" that this son is working with a son of Ayatollah Rafsanjani in several business ventures. Jamsheed has relations with prominent Azerbaijani and Iranian business and government figures, and allegedly does favors for Iranian government personnel, including facilitating of desired foreign items and money laundering. The President of AmCham in Baku (protect) confirmed that Jamsheed is a major bank shareholder, and originally from Iran. She nd other sources opined that the bank is one of he more "professionally run" in Baku. (Comment: The bank is known for its relations with Turkish companies. The Bank of Baku was formerly controlled by the brother of Farhad Aliyev, a former Azerbaijani Minister of Economic Development who is currently jailed. According to a prominent Azerbaijani business consultant (strictly protect), Aliyev's position has been divided between the Azerbaijani Minister of Transportation Ziya Mammedov, and the Head of Presidential Security, Vahid Akhundov. End Comment).

F. (S) Shahram Oromi. An Iranian Azerbaijani who obtained Turkish citizenship after the Iranian revolution. Nonetheless, he attended university in Iran, graduating from Iran Azad university (1993). He and his brothers Nadir and Bahram established the "Turkish" NAB Foreign Trade company (Deesh Ticaret Limited Sherkati) in 1988. The company (headquartered in Istanbul) does extensive trading between Turkey and the Middle East and Iran. It is active in Azerbaijan, and also present in Russia and other CIS countries. Since 1995 this company has been the distributor of Hyundai cars in Azerbaijan, and a member of the family is reportedly the Agent for Samsung in Turkey and Azerbaijan. The consultant describes the Oromi brother's business mode as based on "establishing insider monopolies or advantages via relations with powerful government individuals and their relatives" in the various countries in which they operate, "using bribes, 'gifts,' or offers of a share in their business."

The Oromis helped set up the Bank of Baku (see item "E" above), and Shahram served in various positions (ranging from Chief of the Financial Audit Department to Chairman) between 1999-2007, however they have recently sold most of their shares in this bank to influential Azerbaijanis. The Oromi's allegedly work cooperatively in areas requested by senior Iranian figures, and several of their businesses may facilitate regime (or regime member) interests. Shahram was



and remains close to former Iranian Ambassador to Azerbaijan Ahmed Qazai.

G. (S) "Asgar" LNU (commonly known in Baku as "Agaya Asgar"). His private company is located at #16 Gorbanov Street in Baku, next to the Nizami metro station. His formal business is Iran-Russia timber and wood products export/import via Azerbaijan. A native of Iranian Azerbaijan, Asgar has an Azerbaijani wife and has lived in Baku for several years. He works closely with political officers based at the Iran Culture House (ref B). His wife is the cousin of the Azerbaijani Minister of Education Misir Mardanov, and Mardanov's brother is one of his business partners. Irada Afetgizi, an Iranian who helped organize an anti-Israel "Islamic world" conference held at the Baku Media Center in 2007, works in his office. Asgar owns two homes in Baku and hosts visiting Iranian clerics and relatives of Iranian regime officials and senior Revolutionary Guard officers. He has close ties to Iranian government and Revolutionary Guard organizations and individuals, and assists them in business activities. He often travels to Moscow.

H. (S) Jabrail Naveed "Azerbaijani." A famous "fixer" for

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Iranians in Azerbaijan (hence his nickname). He was head of the Iranian Trader's Association in Azerbaijan until that organization closed in the late 1990's. An Iranian manufacturer and exporter from Tehran who has known the family for years (strictly protect) noted that "he is very wealthy, but doesn't flaunt it." He said that Naveed's wife formerly worked in Iran as an officer in Bank Melli, where she facilitated loans to unqualified regime bigwigs and their cronies.

Three contacts separately claimed that Naveed has facilitated Iran-related energy business ventures with the State Oil Company of Azerbaijan (SOCAR), and illicitly exports (falsely labeled) Pelite and other oil drilling materials and chemicals and propane gas. Naveed also reportedly owns the "Pingvin" iron workshop in Azerbaijan. The Tehran businessman said that Naveed helps facilitate import of sanctioned products into Iran from Russia and elsewhere via the Azerbaijani enclave of Nakchevan, and said that he himself is one of "many" legitimate Iranian exporters who have been pressured into cooperating in this activity. Naveed is a close friend of the head of Baku's Husseiniya ("Iranian") mosque, Mullah Ogagnejad, and oversees the mosques' administration. Ogagnejad is a son-in-law of the late Ayatollah Meshkini, and the personal religious representative of Ayatollah Khomeini in Azerbaijan (ref B).

I. (S) Safa Naveed. Son of Jabrail Naveed (above). A



graduate of Baku's Kavkaz university, he is currently a Revolutionary Guard officer working at the Iranian Embassy in Baku. He is a leadliaison with Iranian students in Azerbaijan. AnIranian student described Safa's duties as "spyig on" Iranian students in Baku, and an Iranian businessman who has known the family for years told Iran watcher that Safa Naveed has frequently boasted to him about his and Iran's knowledge of what goes on in Azerbaijan, extensive information networks here, and "ability to get anything it needs." One contact described Safa as "fanatically anti-Western."

J. (S) Asgar Jabbari. One of the "two Asgars" widely known among Iranians in Baku (see "F" above). Son of the late "Mullah Natiq," a famous hard-line orator during the Iranian revolution and the Iran-Iraq war. Jabbari's wife is from Azerbaijan, he owns a house here, and travels back and forth regularly between Iran and Azerbaijan. His main official business is exporting Iranian marble from Isfahan, where he works with a large factory, which is actually a Revolutionary Guard front company (Note: Iranian marble is commonly used in Baku residential and office-building construction, which has been undergoing a boom here until recently. End Note.) Jabbari has close business relationships with senior Iranian government officials, and carries out business activities and buys real estate on their behalf. (Note: Jabbari's name is of Arabic origin, but is more likely to imply religious piety than Arabic heritage. End Note).

K. (S) Sabir Shaheen. Though reportedly mild-mannered and well dressed, Shaheen is a well known mafia-like figure from Iranian Azerbaijan who reportedly acts as a "liaison" between the Iranian and Russian/Azerbaijani narcotics traffickers. Although he officially operates a marble store on Baku's Karl Marx street, the store is generally closed and Shaheen himself is generally seen holding court at restaurants and cafes along 28 May Street. (Note: Iran reportedly has one of the highest per capita rates of heroin addiction in the world, and heroin and other narcotics trafficking from Iran to Russia and Europe via Azerbaijan has skyrocketed over the last two years. See ref (D).

End List.
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