

## PRESS RELEASES

### Treasury Designates Russian Oligarchs, Officials, and Entities in Response to Worldwide Malign Activity

APRIL 6, 2018

WASHINGTON – The U.S. Department of the Treasury’s Office of Foreign Assets Control (OFAC), in consultation with the Department of State, today designated seven Russian oligarchs and 12 companies they own or control, 17 senior Russian government officials, and a state-owned Russian weapons trading company and its subsidiary, a Russian bank.

“The Russian government operates for the disproportionate benefit of oligarchs and government elites,” said Treasury Secretary Steven T. Mnuchin. “The Russian government engages in a range of malign activity around the globe, including continuing to occupy Crimea and instigate violence in eastern Ukraine, supplying the Assad regime with material and weaponry as they bomb their own civilians, attempting to subvert Western democracies, and malicious cyber activities. Russian oligarchs and elites who profit from this corrupt system will no longer be insulated from the consequences of their government’s destabilizing activities.”

Today’s actions are pursuant to authority provided under Executive Order (E.O.) 13661 and E.O. 13662, authorities codified by the Countering America’s Adversaries Through Sanctions Act (CAATSA), as well as E.O. 13582. These actions follow the Department of the Treasury’s issuance of the CAATSA Section 241 report in late January 2018. In the Section 241 report, Treasury identified senior Russian government officials and oligarchs. Today’s action targets a number of the individuals listed in the Section 241 report, including those who benefit from the Putin regime and play a key role in advancing Russia’s malign activities.

Concurrent with this action, OFAC is issuing two general licenses to minimize immediate disruptions to U.S. persons, partners, and allies. For details, see General Licenses [12](#) and [13](#), as well as related [FAQs](#).

All assets subject to U.S. jurisdiction of the designated individuals and entities, and of any other entities blocked by operation of law as a result of their ownership by a sanctioned party, are frozen, and U.S. persons are generally prohibited from dealings with them. Additionally, non-U.S. persons could face sanctions for knowingly facilitating significant transactions for or on behalf of the individuals or entities blocked today.

#### DESIGNATED RUSSIAN OLIGARCHS

Vladimir Bogdanov is being designated for operating in the energy sector of the Russian Federation economy. Bogdanov is the Director General and Vice Chairman of the Board of Directors of Surgutneftegaz, a vertically integrated oil company operating in Russia. OFAC

imposed sectoral sanctions on Surgutneftegaz pursuant to Directive 4 issued under E.O. 13662 in September 2014.

Oleg Deripaska is being designated pursuant to E.O. 13661 for having acted or purported to act for or on behalf of, directly or indirectly, a senior official of the Government of the Russian Federation, as well as pursuant to E.O. 13662 for operating in the energy sector of the Russian Federation economy. Deripaska has said that he does not separate himself from the Russian state. He has also acknowledged possessing a Russian diplomatic passport, and claims to have represented the Russian government in other countries. Deripaska has been investigated for money laundering, and has been accused of threatening the lives of business rivals, illegally wiretapping a government official, and taking part in extortion and racketeering. There are also allegations that Deripaska bribed a government official, ordered the murder of a businessman, and had links to a Russian organized crime group.

Suleiman Kerimov is being designated for being an official of the Government of the Russian Federation. Kerimov is a member of the Russian Federation Council. On November 20, 2017, Kerimov was detained in France and held for two days. He is alleged to have brought hundreds of millions of euros into France – transporting as much as 20 million euros at a time in suitcases, in addition to conducting more conventional funds transfers – without reporting the money to French tax authorities. Kerimov allegedly launders the funds through the purchase of villas. Kerimov was also accused of failing to pay 400 million euros in taxes related to villas.

Igor Rotenberg is being designated for operating in the energy sector of the Russian Federation economy. Rotenberg acquired significant assets from his father, Arkady Rotenberg, after OFAC designated the latter in March 2014. Specifically Arkady Rotenberg sold Igor Rotenberg 79 percent of the Russian oil and gas drilling company Gazprom Burenie. Igor Rotenberg's uncle, Boris Rotenberg, owns 16 percent of the company. Like his brother Arkady Rotenberg, Boris Rotenberg was designated in March 2014.

Kirill Shamalov is being designated for operating in the energy sector of the Russian Federation economy. Shamalov married Putin's daughter Katerina Tikhonova in February 2013 and his fortunes drastically improved following the marriage; within 18 months, he acquired a large portion of shares of Sibur, a Russia-based company involved in oil and gas exploration, production, processing, and refining. A year later, he was able to borrow more than one \$1 billion through a loan from Gazprombank, a state-owned entity subject to sectoral sanctions pursuant to E.O. 13662. That same year, long-time Putin associate Gennady Timchenko, who is himself designated pursuant to E.O. 13661, sold an additional 17 percent of Sibur's shares to Shamalov. Shortly thereafter, Kirill Shamalov joined the ranks of the billionaire elite around Putin.

Andrei Skoch is being designated for being an official of the Government of the Russian Federation. Skoch is a deputy of the Russian Federation's State Duma. Skoch has longstanding ties to Russian organized criminal groups, including time spent leading one such enterprise.

Viktor Vekselberg is being designated for operating in the energy sector of the Russian Federation economy. Vekselberg is the founder and Chairman of the Board of Directors of the Renova Group. The Renova Group is comprised of asset management companies and

investment funds that own and manage assets in several sectors of the Russian economy, including energy. In 2016, Russian prosecutors raided Renova's offices and arrested two associates of Vekselberg, including the company's chief managing director and another top executive, for bribing officials connected to a power generation project in Russia.

## **DESIGNATED OLIGARCH-OWNED COMPANIES**

In addition to sanctioning the individuals listed above, OFAC today designated 12 companies that constitute some of the most prominent among the entities that are owned or controlled by the individuals designated today. This list of 12 companies owned or controlled by the sanctioned oligarchs should not be viewed as exhaustive, and the regulated community remains responsible for compliance with [OFAC's 50 percent rule](#).

B-Finance Ltd., based in the British Virgin Islands, is being designated for being owned or controlled by, directly or indirectly, Oleg Deripaska.

Basic Element Limited is being designated for being owned or controlled by, directly or indirectly, Oleg Deripaska. Basic Element Limited is based in Jersey and is the private investment and management company for Deripaska's various business interests.

EN+ Group is being designated for being owned or controlled by, directly or indirectly, Oleg Deripaska, B-Finance Ltd., and Basic Element Limited. EN+ Group is located in Jersey and is a leading international vertically integrated aluminum and power producer.

EuroSibEnergo is being designated for being owned or controlled by, directly or indirectly, Oleg Deripaska and EN+ Group. EuroSibEnergo is one of the largest independent power companies in Russia, operating power plants across Russia and producing around nine percent of Russia's total electricity.

United Company RUSAL PLC is being designated for being owned or controlled by, directly or indirectly, EN+ Group. United Company RUSAL PLC is based in Jersey and is one of the world's largest aluminum producers, responsible for seven percent of global aluminum production.

Russian Machines is being designated for being owned or controlled by, directly or indirectly, Oleg Deripaska and Basic Element Limited. Russian Machines was established to manage the machinery assets of Basic Element Limited.

GAZ Group is being designated for being owned or controlled by, directly or indirectly, Oleg Deripaska and Russian Machines. GAZ Group is Russia's leading manufacturer of commercial vehicles.

Agroholding Kuban, located in Russia, is being designated for being owned or controlled by, directly or indirectly, Oleg Deripaska and Basic Element Limited.

Gazprom Burenie, OOO is being designated for being owned or controlled by Igor Rotenberg. Gazprom Burenie, OOO provides oil and gas exploration services in Russia.

NPV Engineering Open Joint Stock Company is being designated for being owned or controlled by Igor Rotenberg. NPV Engineering Open Joint Stock Company provides management and consulting services in Russia.

Ladoga Menedzhment, OOO is being designated for being owned or controlled by Kirill Shamalov. Ladoga Menedzhment, OOO is located in Russia and engaged in deposit banking.

Renova Group is being designated for being owned or controlled by Viktor Vekselberg. Renova Group, based in Russia, is comprised of investment funds and management companies operating in the energy sector, among others, in Russia's economy.

## **DESIGNATED RUSSIAN STATE-OWNED FIRMS**

Russia has contributed to the instability of the Government of Syria through the sales and transfer of Russian-origin military equipment in support of Assad's regime, enabling Assad to continue carrying out attacks against Syrian citizens. These attacks have included chemical weapons attacks, which claimed the lives of hundreds of Syrian citizens.

Rosoboroneksport is a state-owned Russian weapons trading company with longstanding and ongoing ties to the Government of Syria, with billions of dollars' worth of weapons sales over more than a decade. Rosoboroneksport is being designated under E.O. 13582 for having materially assisted, sponsored, or provided financial, material, or technological support for, or goods or services in support of, the Government of Syria.

The Russian Financial Corporation Bank (RFC Bank) is being designated for being owned by Rosoboroneksport. RFC Bank incorporated in Moscow, Russia and its operations include deposit banking activities.

## **DESIGNATED RUSSIAN GOVERNMENT OFFICIALS**

Andrey Akimov is the Chairman of the Management Board of state-owned Gazprombank. Akimov is being designated pursuant E.O. 13661 for being an official of the Government of the Russian Federation.

Mikhail Fradkov is the President of the Russian Institute for Strategic Studies (RISS), a major research and analytical center established by the President of the Russian Federation, which provides information support to the Presidential Administration, Federation Council, State Duma, and Security Council. Fradkov is being designated pursuant E.O. 13661 for being an official of the Government of the Russian Federation.

Sergey Fursenko is a member of the board of directors of Gazprom Neft, a subsidiary of state-owned Gazprom. Fursenko is being designated pursuant to E.O. 13661 for being an official of the Government of the Russian Federation.

Oleg Govorun is the Head of the Presidential Directorate for Social and Economic Cooperation with the Commonwealth of Independent States Member Countries. Govorun is being designated pursuant to E.O. 13661 for being an official of the Government of the Russian Federation.

Alexey Dyumin is the Governor of the Tula region of Russia. He previously headed the Special Operations Forces, which played a key role in Russia's purported annexation of Crimea. Dyumin is being designated pursuant to E.O. 13661 for being an official of the Government of the Russian Federation.

Vladimir Kolokoltsev is the Minister of Internal Affairs and General Police of the Russian Federation. Kolokoltsev is being designated pursuant to E.O. 13661 for being an official of the Government of the Russian Federation.

Konstantin Kosachev is the Chairperson of the Council of the Federation Committee on Foreign Affairs. Kosachev is being designated pursuant to E.O. 13661 for being an official of the Government of the Russian Federation.

Andrey Kostin is the President, Chairman of the Management Board, and Member of the Supervisory Council of state-owned VTB Bank. Kostin is being designated pursuant to E.O. 13661 for being an official of the Government of the Russian Federation.

Alexey Miller is the Chairman of the Management Committee and Deputy Chairman of the Board of Directors of state-owned company Gazprom. Miller is being designated pursuant to E.O. 13661 for being an official of the Government of the Russian Federation.

Nikolai Patrushev is Secretary of the Russian Federation Security Council. Patrushev is being designated pursuant to E.O. 13661 for being an official of the Government of the Russian Federation.

Vladislav Reznik is a member of the Russian State Duma. Reznik is being designated pursuant to E.O. 13661 for being an official of the Government of the Russian Federation.

Evgeniy Shkolov is an Aide to the President of the Russian Federation. Shkolov is being designated pursuant to E.O. 13661 for being an official of the Government of the Russian Federation.

Alexander Torshin is the State Secretary – Deputy Governor of the Central Bank of the Russian Federation. Torshin is being designated pursuant to E.O. 13661 for being an official of the Government of the Russian Federation.

Vladimir Ustinov is the Plenipotentiary Envoy to Russia's Southern Federal District. Ustinov is being designated pursuant to E.O. 13661 for being an official of the Government of the Russian Federation.

Timur Valiulin is the head of the General Administration for Combatting Extremism within Russia's Ministry of Interior. Valiulin is being designated pursuant to E.O. 13661 for being an official of the Government of the Russian Federation.

Alexander Zharov is the head of Roskomnadzor (the Federal Service for the Supervision of Communications, Information Technology, and Mass Media). Zharov is being designated pursuant to E.O. 13661 for being an official of the Government of the Russian Federation.

Viktor Zolotov is the Director of the Federal Service of National Guard Troops and Commander of the National Guard Troops of the Russian Federation. Zolotov is being designated pursuant to E.O. 13661 for being an official of the Government of the Russian Federation.

[Additional information on the individuals and entities listed today.](#)

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