

U.S. DEPARTMENT OF THE TREASURY

Press Center



Treasury Sanctions Two Major Mexican Drug Organizations and Two of Their Leaders

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Action Targets CJNG and Los Cuinis, Drug Trafficking Organizations that Rank Among the Most Powerful Cartels in Mexico

WASHINGTON – Today, the U.S. Department of the Treasury's Office of Foreign Assets Control (OFAC) designated two Mexican narcotics trafficking organizations, the Cartel de Jalisco Nueva Generacion (CJNG) and the Los Cuinis Drug Trafficking Organization (DTO), as Specially Designated Narcotics Traffickers pursuant to the Foreign Narcotics Kingpin Designation Act (Kingpin Act). OFAC also today designated two Mexican nationals, Nemesio Oseguera Cervantes and Abigail Gonzalez Valencia, who are leaders of CJNG and the Los Cuinis DTO, respectively. These drug cartels and their leaders play significant roles in international narcotics trafficking. As a result of today's action, all assets of these entities and individuals that are based in the United States or in the control of U.S. persons are frozen, and U.S. persons are generally prohibited from engaging in transactions with them.

"In recent years, we have seen a rising trend in the erosion of historically powerful cartels alongside the emergence of new drug trafficking organizations like CJNG and its close ally Los Cuinis DTO. These two organizations have rapidly expanded their criminal empire in recent years through the use of violence and corruption. They now rank among the most powerful drug trafficking organizations in Mexico," said John E. Smith, Acting Director of OFAC. "Today's action demonstrates our determination to reverse this trend and to significantly disrupt the activities of their leaders."

Today's designation was taken in close coordination with the Los Angeles Field Division of the Drug Enforcement Administration and is part of a larger effort by the Treasury Department to collaborate with Mexican authorities in the sanctioning of Mexican drug trafficking organizations.


CJNG emerged approximately five years ago from the remnants of the Milenio Cartel, which was dismantled following the capture of its designated leader, Armando Valencia Cornelio, and his successors. CJNG has expanded beyond Jalisco to other Mexican states, including Michoacan and Colima. CJNG has also further developed its ties to other criminal organizations around the world, including in the United States, Latin America, Africa, Europe, and Asia. Much of this expansion has impacted rival DTOs, including designated entities Los Caballeros Templarios and Los Zetas, by taking away their territory and market share, which has resulted in violent confrontations with CJNG and other DTOs. With additional territory, CJNG has been able to increase its drug trafficking, wealth, and influence.

Nemesio (also known as Ruben and "Mencho") Oseguera Cervantes is the leader of CJNG and has been significantly involved in drug trafficking activities since the 1990s. He was convicted of conspiracy to distribute heroin in the U.S. District Court for the Northern District of California in 1994 and served nearly three years in prison. Following his release from custody, Oseguera Cervantes returned to Mexico and reengaged in drug trafficking activity.

The Los Cuinis DTO first arose in the 1990s as a faction of the Milenio Cartel and is engaged in cocaine and methamphetamine trafficking. The close alliance between CJNG and the Los Cuinis DTO is due not only to their origins in the Milenio Cartel but also because the leader of the Los Cuinis DTO, Abigail Gonzalez Valencia, is the brother-in-law of Oseguera Cervantes. Gonzalez Valencia has also been significantly involved in drug trafficking since the 1990s, when he was involved in methamphetamine trafficking. Mexican authorities captured Gonzalez Valencia in Mexico in late February 2015. In March 2014, a grand jury in the U.S. District Court for the District of Columbia indicted Oseguera Cervantes and Gonzalez Valencia on the charge of being the principal leaders of a Continuing Criminal Enterprise, among other crimes.

Since June 2000, more than 1,700 entities and individuals have been named pursuant to the Kingpin Act for their role in international narcotics trafficking. Penalties for violations of the Kingpin Act range from civil penalties of up to \$1.075 million per violation to more severe criminal penalties. Criminal penalties for corporate officers may include up to 30 years in prison and fines of up to \$5 million. Criminal fines for corporations may reach \$10 million. Other individuals could face up to 10 years in prison and fines pursuant to Title 18 of the United States Code for criminal violations of the Kingpin Act.

To see a chart relating to today's action, click [here](#). 

For a complete listing of designations pursuant to the Kingpin Act, click [here](#). 

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