

U.S. DEPARTMENT OF THE TREASURY

Press Center



Treasury Sanctions Peruvian Narco-Terrorist Group and Three Key Leaders

6/1/2015

Action Targets the Shining Path for Facilitating Narcotics Trafficking

WASHINGTON – The U.S. Department of the Treasury's Office of Foreign Assets Control (OFAC) today identified the Shining Path (a.k.a. Sendero Luminoso) as a significant foreign narcotics trafficker appropriate for sanctions pursuant to the Foreign Narcotics Kingpin Designation Act (Kingpin Act). Also designated today for their material support to the narcotics trafficking of the Shining Path are Victor Quispe Palomino, Jorge Quispe Palomino, and Florindo Eleuterio Flores Hala. As a result of today's action, all assets of those designated that are based in the United States or that are in the control of U.S. persons are frozen, and U.S. persons are generally prohibited from engaging in transactions with them.

"Since its founding over three decades ago, the Shining Path has evolved from a militant terrorist group to a criminal narco-terrorist organization responsible for trafficking cocaine throughout South America," said Acting Director of OFAC John E. Smith. "Our action today supports the Government of Peru's efforts to actively combat the group, and we will continue to target the Shining Path and its narco-terrorist activities."

The Shining Path is based in Peru and has operated as a terrorist group since 1980. The group alleges that it is committed to Maoist ideals and is dedicated to the violent overthrow of the democratically elected Government of Peru. The U.S. Department of the State designated the Shining Path as a Foreign Terrorist Organization on October 8, 1997, and also as a Specially Designated Global Terrorist pursuant to Executive Order 13224 on October 31, 2011.


The Shining Path funds its terrorist activities at least in part with proceeds from the cocaine trade. Following a Government of Peru crackdown in the 1990s, the Shining Path's membership was significantly reduced and the group withdrew into Peru's remote coca leaf-producing areas, where they shifted focus to cocaine trafficking. Over the past decade, the Shining Path has sought to engage in all aspects of the cocaine trade in south central Peru, which includes some of the world's most fertile coca leaf-producing areas. According to U.S. Government estimates, Peru was the world's top producer of cocaine and the second-largest cultivator of coca in 2013, which is the most recent year for which complete data is available.

The Shining Path levies taxes on the cultivation, processing, and transit of cocaine within and through south central Peru. The Shining Path also provides transport and armed security to narcotics trafficking organizations moving large cocaine loads through and out of south central Peru. In order to protect its financial interests in the cocaine trade, the Shining Path has directed violent acts against Peruvian National Police and Peruvian Army installations and personnel.


The three individuals also designated today — Victor Quispe Palomino, Jorge Quispe Palomino, and Florindo Eleuterio Flores Hala — are leaders of the Shining Path. They were named in a U.S. federal indictment filed on July 1, 2014 by the U.S. Attorney's Office for the Southern District of New York on charges including conspiracy to provide material support to the Shining Path and conspiracy to commit narco-terrorism. This designation would not have been possible without the leadership and cooperation of the Government of Peru in the fight against illicit narcotics.


The Government of Peru has demonstrated a firm commitment to countering narcotics production and trafficking in the country, dedicating substantial resources to implementing President Ollanta Humala's comprehensive and aggressive counter-narcotics strategy and targeting high-ranking members of the Shining Path. The Government of Peru's counter-narcotics strategy has already eradicated a record amount of illicit coca and carried out robust interdiction.

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 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.

For a chart relating to today's actions click [here](#). 

To see the identifying information relating to today's actions, click [here](#).

For the report to Congress that identifies The Shining Path pursuant to Section 805(b)(1) of the Kingpin Act click [here](#). 

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

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