

Treasury Sanctions Additional Individuals and Entities in Connection with the Conflict in Ukraine and Russia's Occupation of Crimea

January 26, 2018

WASHINGTON –The U.S. Department of the Treasury's Office of Foreign Assets Control (OFAC) today designated 21 individuals and 9 entities under four Executive Orders (E.O.s) related to Russia and Ukraine, including three individuals and two entities related to Russia's transfer of four turbines made by a Russian-German joint venture to Crimea. Today's action is part of Treasury's continued commitment to maintain sanctions pressure on Russia until it fully implements its commitments under the Minsk agreements. This action underscores the U.S. government's opposition to Russia's occupation of Crimea and firm refusal to recognize its attempted annexation of the peninsula. These sanctions follow the European Union's recent extension of sanctions and reinforce our continued unity in supporting Ukraine's sovereignty and territorial integrity.

As a result of today's action, any property or interests in property of the designated persons in the possession or control of U.S. persons or within the United States must be blocked. Additionally, transactions by U.S. persons involving these persons are generally prohibited.

"The U.S. government is committed to maintaining the sovereignty and territorial integrity of Ukraine and to targeting those who attempt to undermine the Minsk agreements," said Treasury Secretary Steven T. Mnuchin. "Those who provide goods, services, or material support to individuals and entities sanctioned by the United States for their activities in Ukraine are engaging in behavior that could expose them to U.S. sanctions."

Today, OFAC also identified 12 subsidiaries that are owned 50 percent or more by previously sanctioned Russian companies to provide additional information to assist the private sector with sanctions compliance.

DESIGNATIONS OF UKRAINIAN SEPARATISTS AND FOR MISAPPROPRIATION OF UKRAINIAN STATE ASSETS (E.O. 13660)

Today's action targets 11 Ukrainian separatists pursuant to E.O. 13660 for being responsible for or complicit in, or having engaged in, directly or indirectly, actions or policies that threaten the peace, security, stability, sovereignty, or territorial integrity of Ukraine; or for asserting governmental authority over a part or region of Ukraine without the authorization of the Government of Ukraine. This action is part of an ongoing effort to hold accountable those responsible for violations of Ukraine's sovereignty and territorial integrity.

Igor Antipov is the "Minister of Information" of the so-called "Donetsk People's Republic (DPR)." Antipov is being designated for acting or purporting to act for or on behalf of, directly or indirectly, the so-called DPR.

Aleksey Granovsky is the "Minister of Industry and Trade" of the so-called DPR. Granovsky is being designated for having asserted governmental authority over any part or region of Ukraine without the authorization of the Government of Ukraine and for acting or purporting to act for or on behalf of, directly or indirectly, the so-called DPR.

Ekaterina Matyushchenko is the "Minister of Finance" of the so-called DPR. Matyushchenko is being designated for having asserted governmental authority over any part or region of Ukraine without the authorization of the Government of Ukraine and for acting or purporting to act for or on behalf of, directly or indirectly, the so-called DPR.

Natalya Nikonorova is the "Minister of Foreign Affairs" of the so-called DPR. Nikonorova is being designated for having asserted governmental authority over any part or region of Ukraine without the authorization of the Government of Ukraine and for acting or purporting to act for or on behalf of, directly or indirectly, the so-called DPR.

Vladimir Pavlenko is the "Minister of State Security" of the so-called DPR. Pavlenko is being designated for acting or purporting to act for or on behalf of, directly or indirectly, the so-called DPR.

Elena Radomskaya is the "Minister of Justice" of the so-called DPR. Radomskaya is being designated for having asserted governmental authority over any part or region of Ukraine without the authorization of the Government of Ukraine and for acting or purporting to act for or on behalf of, directly or indirectly, the so-called DPR.

Aleksandr Timofeev is the "Minister of Taxes and Revenues" of the so-called DPR. Timofeev is being designated for acting or purporting to act for or on behalf of, directly or indirectly, the so-called DPR.

Elena Kostenko is the “Acting Economic Development Minister” of the so-called “Luhansk People’s Republic (LPR).” Kostenko is being designated for having asserted governmental authority over any part or region of Ukraine without the authorization of the Government of Ukraine.

Svetlana Malakhova is the “Minister of Labor and Social Policy” of the so-called LPR. Malakhova is being designated for having asserted governmental authority over any part or region of Ukraine without the authorization of the Government of Ukraine.

Pavel Malgin is the “Acting Minister of Fuel, Energy, and Coal Industry” of the so-called LPR. Malgin is being designated for having asserted governmental authority over any part or region of Ukraine without the authorization of the Government of Ukraine.

Dmitry Ovsyannikov was purportedly elected “Governor of Sevastopol” in an election organized by Russia. He was previously appointed by President Putin as the so-called “Acting Governor of the City of Sevastopol.” Ovsyannikov is being designated for being responsible for or complicit in, or having engaged in, directly or indirectly, actions or policies that threaten the peace, security, stability, sovereignty, or territorial integrity of Ukraine.

OFAC is also designating pursuant to E.O. 13660 three individuals and four entities who have supported the illicit coal trade from the so-called DPR or LPR. In the spring of 2017, the so-called DPR and LPR put Ukrainian enterprises, including coal mines, located on their territory under the control of ZAO Vneshtorgservis, a company based in the unrecognized territory of South Ossetia. ZAO Vneshtorgservis has worked with the company Gaz-Alyans, OOO, which is controlled by Sergey Kurchenko, to export coal from the separatist-controlled regions to Europe. In addition, the brothers Oleksandr and Serhiy Melnychuk have used several companies, including Doncoaltrade Sp. Z O O and Ugolnye Tekhnologii, OOO, to export coal from the so-called DPR and LPR to Russia and other countries.

ZAO Vneshtorgservis is being designated for having acted or purported to act for or on behalf of, directly or indirectly, the so-called DPR and the so-called LPR.

Vladimir Pashkov is the general director of ZAO Vneshtorgservis. Pashkov is being designated for having acted or purported to act for or on behalf of, directly or indirectly, the so-called DPR and the so-called LPR.

Gaz-Alyans, OOO is being designated for having materially assisted, sponsored, or provided financial, material, or technological support for, or goods or services to or in support of, ZAO Vneshtorgservis, the so-called DPR, and the so-called LPR.

Oleksandr Melnychuk is being designated for having materially assisted, sponsored, or provided financial, material, technological support for, or goods or services to or in support of, the so-called LPR.

Doncoaltrade Sp. Z O O is being designated for being owned or controlled by Oleksandr Melnychuk.

Serhiy Melnychuk is being designated for having materially assisted, sponsored, or provided financial, material, technological support for, or goods or services to or in support of, the so-called LPR.

Ugolnye Tekhnologii, OOO is being designated for having materially assisted, sponsored, or provided financial, material, technological support for, or goods or services to or in support of, the so-called LPR and DPR.

DESIGNATIONS REGARDING RUSSIAN OFFICIALS AND THEIR SUPPORTERS (E.O. 13661)

Today's action targets four individuals and two entities pursuant to E.O. 13661, which authorizes sanctions against, among others, officials of the Government of the Russian Federation as well as any individual or entity that has acted for or on behalf of, or supported, an individual or entity previously designated under this E.O.

Andrey Cherezov is the Russian Deputy Minister of Energy in the Department of Operational Control and Management in the Electric Power Industry. Cherezov was designated by the EU for the delivery of turbines to annexed Crimea on August 4, 2017. OFAC is designating Cherezov for being an official of the Government of the Russian Federation.

Evgeniy Grabchak is the Head of the Department for the Russian Energy Ministry's Department of Operational Control and Management in the Electric Power Industry. He is responsible within the Russian Ministry of Energy for the development of electro-energetic projects in Crimea. Grabchak was designated by the EU for the delivery of turbines to annexed Crimea on August 4, 2017. OFAC is designating Grabchak for being an official of the Government of the Russian Federation.

Aleksandr Pentya is a Vice President with ABR Management, which was designated pursuant to E.O. 13661 in September 2016 for acting for or on behalf of Bank Rossiya. Pentya is being designated for acting or purporting to act for or on behalf of, directly or indirectly, ABR Management.

Evro Polis Ltd. is a Russian company that has contracted with the Government of Syria to protect Syrian oil fields in exchange for a 25 percent share in oil and gas production from the fields. Evro Polis Ltd. is being designated for being owned or controlled by Yevgeniy Prigozhin, who was designated pursuant to E.O. 13661 in December 2016 for providing support to senior officials of the Russian Federation.

In late 2017, **Bogdan Kolosov**, who is the Department Manager for Customer Service at the Russian-based transportation services company **Instar Logistics**, coordinated a shipment of weapons with previously designated Kalashnikov Concern International Business Development Director Vakhtang Karamyan. Instar Logistics is being designated for acting or purporting to act for or on behalf of, directly or indirectly, Kalashnikov Concern. Kolosov is being designated for materially assisting, sponsoring, or providing financial, material or technological support for, or goods or services to or in support of, Kalashnikov Concern.

DESIGNATIONS REGARDING CRIMEA (E.O. 13685)

Today's action targets one construction entity and two associated individuals pursuant to E.O. 13685, which authorizes sanctions against, among others, any person determined to operate in the Crimea region of Ukraine.

VAD, AO is the St. Petersburg, Russia-based construction company responsible for the construction of the Tavrida Highway in Crimea. This federal highway is expected to provide transportation access and economic development to Crimea through a system of newly constructed roadways that serve as primary connection to the Kerch Bridge and to cities in Crimea. VAD, AO's largest government contract is for the construction of the Tavrida Highway. VAD, AO and the so-called "Republic of Crimea" signed a contract for the highway's construction and the projected cost is about \$2.92 billion. VAD, AO is being designated because it operates in the Crimea region of Ukraine.

Valeri Abramov is the co-founder and General Director of VAD, AO. Abramov is being designated for having acted or purported to act for or on behalf of, directly or indirectly, VAD, AO.

Viktor Perevalov is the co-founder and First Deputy General Director of VAD, AO. Perevalov is being designated for having acted or purported to act for or on behalf of, directly or indirectly, VAD, AO.

OFAC is also designating one individual and two entities related to Russia's transfer of four turbines made by a Russian-German joint venture to Crimea. In July 2017, four turbines produced by a joint venture between a German company and PJSC Power Machines were transferred to Crimea. The transfer occurred despite clear contractual provisions prohibiting the use of the turbines in Crimea and repeated assurances that no such transfer would take place. If successfully installed, these turbines will further support Russia's attempted annexation of Crimea by providing an independent power supply to Crimea and Sevastopol. Four of the individuals and entities involved in the transfer were designated by the EU in August 2017.

Limited Liability Company Foreign Economic Association Technopromexport (Technopromexport LLC) is one of the entities responsible for the transfer of the turbines to Crimea. Technopromexport LLC is being designated for operating in Crimea.

Sergey Topor-Gilka is the General Director of Technopromexport LLC and OAO Technopromexport, which was designated in December 2015 pursuant to E.O. 13685 for operating in Crimea. Topor-Gilka is being designated for having acted or purported to act for or on behalf of, directly or indirectly, Technopromexport LLC and OAO Technopromexport.

PJSC Power Machines is the Russian co-owner of the joint venture that produced the turbines, and its director has publicly stated his support for Crimean infrastructure projects. Power Machines is being designated for having materially assisted, sponsored, or provided financial, material, technological, or other support for, or goods or services to or in support of, OAO Technopromexport and Technopromexport LLC.

IDENTIFICATIONS UNDER THE SECTORAL SANCTIONS IDENTIFICATION LIST (E.O. 13662)

Today, OFAC also identified 12 subsidiaries of Surgutneftegaz as being 50 percent or more owned by Surgutneftegaz, which was added to the Sectoral Sanctions Identification List (SSI List) in September 2014 under Directive 4. The subsidiaries identified today were already subject to the same restrictions as their parent entity per OFAC's Revised Guidance on Entities Owned by Persons Whose Property and Interests in Property Are Blocked ("50 percent rule guidance"), which can be found here . These identifications will help the public more effectively comply with the sanctions on Surgutneftegaz.

Identifying information on the individuals and entities sanctioned today.

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