

# Treasury Sanctions Russia over Continued Aggression in Ukraine

March 15, 2019

*OFAC takes action in partnership with the EU and Canada*

**Washington** – Today, the U.S. Department of the Treasury’s Office of Foreign Assets Control (OFAC) designated six Russian individuals and eight entities in response to Russia’s continued and ongoing aggression in Ukraine. Today’s action targets individuals and entities playing a role in Russia’s unjustified attacks on Ukrainian naval vessels in the Kerch Strait, the purported annexation of Crimea, and backing of illegitimate separatist government elections in eastern Ukraine. These actions complement sanctions also taken today by the European Union and Canada, and underscore the strength and commitment of the transatlantic partnership to counter Russia’s continued destabilizing behavior and malign activities.

“The United States and our transatlantic partners will not allow Russia’s continued aggression against Ukraine to go unchecked. This joint initiative with our partners in the European Union and Canada reinforces our shared commitment to impose targeted and meaningful sanctions in response to the Kremlin’s attempts to disregard international norms and undermine Ukraine’s sovereignty and territorial integrity,” said Treasury Secretary Steven T. Mnuchin. “The international community is strongly aligned against Russia’s naval attacks in the Kerch Strait, purported annexation of Crimea, and support for the illegitimate separatist-conducted elections in eastern Ukraine.”

## OVERVIEW

Five years after its invasion of Ukraine and its attempted annexation of Crimea, Russia continues to undermine Ukraine’s sovereignty and territorial integrity while failing to implement its obligations under the Minsk agreements. On November 25, 2018, Russian authorities opened fire on and rammed three Ukrainian ships off the coast of Crimea, seizing the ships and capturing 24 Ukrainian crew members, who remain illegally detained in Russia. Russia also continues its occupation of Crimea, and the Kremlin has also backed illegitimate elections held by Ukrainian separatists in the so-called Donetsk People’s Republic on November 11, 2018.

As a result of today's designations, all property and interests in property of the designated individuals and entities are blocked, and U.S. persons are generally prohibited from transacting with them. Moreover, any entities owned 50 percent or more by these designated persons are also blocked by operation of law.

### **Designations Related to Russia's Attack in the Kerch Strait**

OFAC today sanctioned four Russian officials who were involved in the Kerch Strait attack. OFAC designated Gennadiy Medvedev, the Deputy Director of the Border Guard Service of Russia's Federal Security Service; Sergey Stankevich, the Head of the Border Directorate of Russia's Federal Security Service; and Andrey Shein, the Deputy Head of the Border Directorate and Head of the Coast Guard Unit of Russia's Federal Security Service. Medvedev and Stankevich directly controlled and organized the attack against the Ukrainian ships and their crew, while Shein participated in the operation against the seized Ukrainian ships and crew.

OFAC also designated Ruslan Romashkin, the Head of the Service Command Point of the Federal Security Service of the Russian Federation for the Republic of Crimea and Sevastopol.

Medvedev, Stankevich, Shein, and Romashkin are being designated pursuant to Executive Order (E.O.) 13661 for being officials of the Government of the Russian Federation.

## **DESIGNATIONS RELATED TO RUSSIA'S PURPORTED ANNEXATION OF CRIMEA**

Today's action also targets six Russian defense firms with operations in Crimea, several of which misappropriated Ukrainian state assets to provide services to the Russian military. Four of these entities are being designated pursuant to E.O. 13662 for operating in the defense and related materiel sector of the Russian Federation economy, and two entities are being designated pursuant to E.O. 13685 for operating in the Crimea region of Ukraine.

Yaroslavsky Shipbuilding Plant is a Russian state-owned shipbuilding plant that has built vessels for Russia's Federal Security Service (FSB) and the Russian Ministry of Defense. Yaroslavsky Shipbuilding Plant is also the project developer for a naval vessel that was completed at the Federal SUE Shipyard "Morye" in Crimea. Yaroslavsky Shipbuilding Plant is being designated pursuant to E.O. 13662 for operating in the defense or related materiel sector of the Russian Federation economy.

Zelenodolsk Shipyard Plant, named after A.M. Gorky, is one of the largest ship manufacturers in Russia and has produced missile frigates and corvettes for the Russian Navy. The Zelenodolsk

Shipyard Plant has collaborated with Crimea-based enterprise Skloplastic, which was unlawfully nationalized by the Russian government following its illegal invasion of Crimea in 2014. The Zelenodolsk Shipyard Plant is being designated pursuant to E.O. 13662 for operating in the defense and related materiel sector of the Russian Federation economy.

AO Kontsern Okeanpribor (Okeanpribor) is a producer of hydroacoustic equipment and has supplied components to the Russian Navy. Okeanpribor has also collaborated on a naval project at the Federal SUE Shipyard “Morye” in Crimea. Federal SUE Shipyard “Morye” was designated by OFAC on September 1, 2016. Okeanpribor is being designated pursuant to E.O. 13662 for operating in the defense and related materiel sector of the Russian Federation economy.

PAO Zvezda (Zvezda) is a supplier of diesel engines to the Russian Navy. Zvezda has also supplied components for Russian naval vessels that were being built at the Federal SUE Shipyard “Morye” in Crimea. Zvezda is being designated pursuant to E.O. 13662 for operating in the defense and related materiel sector of the Russian Federation economy.

AO Zavod Fiolent (Fiolent) is a Crimea-based electronics manufacturer that has supplied parts for use in Russian military equipment. Fiolent was unlawfully seized by the Russian Federation following its annexation of Crimea in 2014. Fiolent is being designated pursuant to E.O. 13685 for operating in the Crimea region of Ukraine.

GUP RK KTB Sudokompozit (Sudokompozit) is a Crimea-based producer of defense components that are supplied for Russian military use. Sudokompozit was unlawfully seized by the Russian Federation following its annexation of Crimea in 2014. Sudokompozit is being designated pursuant to E.O. 13685 for operating in the Crimea region of Ukraine.

OFAC also designated the following two entities pursuant to E.O. 13685, due to their activities in Crimea.

LLC SK Consol-Stroi LTD is being designated for operating in the Crimea region of Ukraine. LLC SK Consol-Stroi LTD, a limited liability company registered in the city of Simferopol, Crimea, is one of Crimea’s largest construction companies. LLC SK Consol-Stroi LTD is engaged in the construction of residential and commercial real estate in cities throughout the Crimea region including, among others, Feodosia, Kerch, Yalta, Simferopol, Sevastopol, and Yepatoria.

LLC Novye Proekty is being designated for operating in the Crimea region of Ukraine. In 2016, Russian authorities awarded the private company Novye Proekty an oil and gas exploration license for the Crimean Black Sea shelf. The Crimean shelf is believed to be rich in hydrocarbons

and authorities in Ukraine have reported that Ukraine lost about 80 percent of its oil and gas deposits in the Black Sea due to Russia's purported annexation of Crimea. Novye Proekty's license permits geological studies, prospecting, and the extraction of raw hydrocarbon materials from the Black Sea's Glubokaya block. Prior to Russia's purported annexation of Crimea the Glubokaya block was estimated to hold reserves of 8.3 million tons of crude and 1.4 billion cubic meters of natural gas.

## **DESIGNATIONS RELATED TO ILLEGITIMATE SEPARATIST GOVERNMENT ELECTIONS IN UKRAINE**

Today's action also targets two Ukrainian separatists who were involved in the organization of the November 2018 illegitimate elections in the so-called Donetsk People's Republic. These illegitimate elections clearly contradict Russia's commitments under the Minsk agreements, and were strongly opposed by the United States and EU.

Aleksey Alekseevich Naydenko is the Deputy Chair of the Central Election Commission of the so-called Donetsk People's Republic. Naydenko 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.

Vladimir Yurievich Vysotsky is the Secretary of Central Election Commission of the so-called Donetsk People's Republic. Vysotsky 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.

[View identifying information on the individuals designated today.](#)

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