

Treasury Sanctions Chinese National for Shipping Fentanyl to the United States

August 25, 2020

WASHINGTON – Today, the U.S. Department of the Treasury’s Office of Foreign Assets Control (OFAC) identified Chinese national Taotao Zhang as a Significant Foreign Narcotics Trafficker pursuant to the Foreign Narcotics Kingpin Designation Act (Kingpin Act). OFAC also designated Hong Kong-based Allyrise Technology Group Co., Limited, for being owned, controlled, or directed by, [or acting for or on behalf of](#), Taotao Zhang.

“Fentanyl has wreaked havoc on American communities and families,” said Deputy Secretary Justin G. Muzinich. “The United States remains committed to protecting vulnerable Americans by targeting individuals peddling this deadly drug.”

OFAC Action Further Targets Chinese Fentanyl Trafficking

Taotao Zhang, a chemist and chemical supplier, has shipped synthetic opioids to the United States via multiple individuals and freight-forwarding services in order to disguise the origin of the substances. Labels disguising the substances contained in the parcel are used to avoid seizure by authorities. Once a package is received in the United States, U.S.-based distributors can generally then press one kilogram of fentanyl into up to one million counterfeit pharmaceutical pills for further distribution to domestic customers. In addition, Taotao Zhang is the director of Allyrise Technology Group Co., Limited, located in Hong Kong. Allyrise Technology Group Co., Limited is a front company for Taotao Zhang’s financial transactions.

OFAC closely coordinated today’s action with the U.S. Attorney’s Office for the District of New Jersey, the Drug Enforcement Administration’s (DEA) Newark office, and DEA’s Special Operations Division.

“Illicit fentanyl has been a plague in New Jersey for the last several years. There have been more than 9,000 overdose deaths in New Jersey since 2017, with a vast majority caused by fentanyl and other opioids. The men and women of the DEA will continue to pursue those seeking to flood our communities with this poison, and these sanctions will help in that

effort,” said Special Agent in Charge of the Drug Enforcement Administration’s New Jersey Division, Susan A. Gibson.

On August 21, 2019, the White House Office of National Drug Control Policy, [along with Treasury’s Financial Crimes Enforcement Network \(FinCEN\)](#), issued a series of private sector advisories on illicit fentanyl, fentanyl analogues, and other synthetic opioids focused on U.S. whole-of-government efforts to combat fentanyl trafficking. These advisories highlight the risks to U.S. and international businesses and supply chains, and demonstrate the Administration’s commitment to pursue those involved, directly and indirectly, in fentanyl trafficking resulting in the death of Americans. The advisories state that almost all of the illicit fentanyl causing American deaths is produced outside of the United States; the vast majority originates in China [in the form of precursor chemicals](#) and is trafficked across the Nation’s borders and, increasingly, through the international mail and express consignment carriers.

As a result of today’s action, all property and interests in property of the individual and the entity that are in the United States or in the possession or control of U.S. persons must be blocked and reported to OFAC. OFAC’s regulations generally prohibit all dealings by U.S. persons or within (or transiting) the United States that involve any property or interests in property of blocked or designated persons.

Since June 2000, more than 2,200 individuals and entities 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 \$1,529,991 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.

[View identifying info on the individual and entity designated today.](#)

[The Kingpin Chart on the individual and entity designated today.](#) 

[View FinCEN advisory.](#) 

[View White House press release on the trafficking of fentanyl and synthetic opioids.](#)

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