

Treasury Holds the Belarusian Regime to Account on Anniversary of Fraudulent Election

August 9, 2021

Treasury uses new sanctions authority in support of the Belarusian people

WASHINGTON — Today, on the one-year anniversary of Belarus’s fraudulent August 9, 2020 presidential election, the U.S. Department of the Treasury’s Office of Foreign Assets Control (OFAC) sanctioned 23 individuals and 21 entities pursuant to Executive Order (E.O.) 13405, as well as a new E.O. of August 9, 2021 “Blocking Property of Additional Persons Contributing to the Situation in Belarus” (E.O. of August 9, 2021) that expands Belarus sanctions authorities. The persons designated today are involved in the continuing violent crackdown on peaceful protests; are connected to the May 23, 2021, Ryanair incident; or, profit from or sustain the Belarusian regime at the expense of the Belarusian people. This is the latest action OFAC has taken, in coordination with transatlantic partners, since last year’s fraudulent election to demonstrate international unity against the Belarusian regime’s repression and in support for the Belarusian people’s democratic aspirations. Today’s action represents the largest Belarus-related tranche of designations imposed by OFAC to date.

“One year ago today, Belarusians went to the polls and voted for change,” said Treasury Secretary Janet L. Yellen. “In response, Lukashenka unleashed a brutal campaign of repression to suppress democracy, while continuing to personally profit from endemic corruption. We stand with the people of Belarus and will continue to use every tool available, including the new sanctions authority the President signed today, to hold the Lukashenka regime to account for its human rights abuses, corruption, and attacks on democracy. Together with our Canadian and British partners, today we are demonstrating continued international condemnation of the Lukashenka regime’s undemocratic actions.”

LUKASHENKA’S WALLETS

Today, OFAC is designating individuals and entities that function as the Lukashenka regime’s “wallets,” providing previously-sanctioned Alyaksandr Lukashenka (Lukashenka) with funds

to likely enrich Lukashenka personally and finance his corrupt and brutal regime. The designated individuals and entities receive preferential treatment from the Lukashenka regime in the form of monopolies, tax breaks, favorable contracts, and other mechanisms, often codified by presidential decrees signed by Lukashenka himself. In exchange, they provide funds to Lukashenka and his inner circle, finance Lukashenka's personal projects, and support the regime publicly. This patronage network sustains Lukashenka's violent regime at the expense of the Belarusian people. On June 20, 2006, the President included Lukashenka in the Annex to E.O. 13405, "Blocking Property of Certain Persons Undermining Democratic Processes or Institutions in Belarus."

Lukashenka's Energy Wallet: Mikalai Varabei

Belarusian businessman **Mikalai Varabei (Varabei)**, who is also sanctioned by Canada, the European Union (EU), and the United Kingdom (UK), is a Belarusian oligarch closely tied to Lukashenka. Being in Lukashenka's inner circle pays dividends for Varabei and businesses owned by or linked to him. For example, the Lukashenka regime granted Varabei's company **BelKazTrans** exclusive control over the transit of coal through Belarus. **Novopolotsk Limited Liability Company Interservice (Interservice)**, which used to be owned by Varabei, is one of the largest oil traders in Belarus. Its subsidiaries include **Absolutbank** and Industrial Unitary Enterprise Oil Bitumen Plant (OBP). In 2020, another company formerly owned by Varabei, **Closed Joint-Stock Company New Oil Company (NNK)**, became the only private Belarusian company allowed to export petroleum products from state-owned refineries. **Limited Liability Company Bremino Group (Bremino Group)**, also linked to Varabei, was granted management of a special economic zone in Lukashenka's home region via presidential decree. BelKazTrans, Interservice, Absolutbank, OBP, NNK, and Bremino Group are all Belarusian companies.

Varabei's business network extends into Ukraine and Russia. **BelKazTrans Ukraine**, a Ukrainian entity, delivers coal from Russia and Ukraine's Donbas region and also works with NNK. OFAC is also designating NNK's subsidiary in Russia, **Limited Liability Company New Oil Company East (NNK East)**.

Varabei is being designated today pursuant to E.O. 13405 for being a senior-level official, a family member of such an official, or a person closely linked to such an official who is

responsible for or has engaged in public corruption related to Belarus.

BelKazTrans and BelKazTrans Ukraine are being designated pursuant to E.O. 13405 for being owned or controlled by, directly or indirectly, Varabei.

Interservice and NNK are being designated pursuant to the new E.O. of August 9, 2021 for operating or having operated in the energy sector of the economy of Belarus. NNK was previously sanctioned by Canada and the EU. Absolutbank and OBP are being designated pursuant to the E.O. of August 9, 2021 for being owned or controlled by, directly or indirectly, Interservice. NNK East is being designated pursuant to the E.O. of August 9, 2021 for being owned or controlled by, directly or indirectly, NNK.

Bremino Group is being designated pursuant to the E.O. of August 9, 2021 for operating or having operated in the transportation sector of the economy of Belarus. It is also sanctioned by Canada and the EU.

Lukashenka's Tobacco Wallet: Aliaksey Aleksin

Aliaksey Aleksin (Aleksin) financially benefits from a close relationship with Lukashenka and his family. A former Presidential Administration employee, Aleksin is also tied to the Bremino Group. The majority of Aleksin's fortune is derived from the tobacco industry, through which Lukashenka has provided Aleksin a near-monopoly on production of tobacco products in Belarus. Through a decree signed by Lukashenka, Aleksin's former companies **Inter Tobacco and Energo-Oil** were granted exclusive tobacco import privileges.

Additionally, Lukashenka issued a Presidential decree to re-draw the boundaries of Belarus's capital, Minsk, to carve out land for Inter Tobacco's factory — likely for reasons related to tax evasion. Energo-Oil and Inter Tobacco command an enormous share of the profitable domestic cigarette market in Belarus. Another of Aleksin's former companies, **Belneftegaz**, is the operator of Belarus's national transit traffic system. By creating this system, Lukashenka gave virtual control over Belarus's entire cargo transit network to Aleksin. Although Aleksin no longer personally owns Energo-Oil and Belneftegaz, they have not left the family, with his sons and wife registered as the owners. Aleksin is also sanctioned by Canada and the EU.

Aleksin is being designated today pursuant to E.O. 13405 for being a senior-level official, a family member of such an official, or a person closely linked to such an official who is responsible for or has engaged in public corruption related to Belarus. Inter Tobacco and Energo-Oil are being designated pursuant to the E.O. of August 9, 2021 for operating or having operated in the tobacco products sector of the economy of Belarus. Belneftegaz is being designated pursuant to the E.O. of August 9, 2021 for operating or having operated in the transportation sector of the economy of Belarus.


Lukashenka's Construction Wallet: The Karic Construction Empire

OFAC is also designating a construction empire that has received numerous extraordinary benefits, including gifts of plots of state land in Minsk, through presidential decrees signed by Lukashenka. Among these are almost \$800 million worth of land for a single project, generous tax breaks or the elimination of taxes altogether, the use of state resources for infrastructure work, and other preferential terms. **Dana Holdings Limited (Dana Holdings)** is a firm registered in Cyprus with connections to Serbia's Karic family, which rose to prominence bankrolling the rule of Slobodan Milosevic in the 1990s. The Karic family is considered close to Lukashenka; for instance, Dana Holdings allegedly offered employees a day off for participating in a pro-Lukashenka rally in the aftermath of the fraudulent August 9, 2020 election, has appeared on pro-Lukashenka fliers, and houses an art gallery run by Lukashenka's daughter-in-law in a shopping mall in Minsk. Serbian and Cypriot national **Nebojsa Karic** plays a leading role in the company. Dana Holdings' Belarus-based former subsidiaries — **Foreign Limited Liability Company Dana Astra (Dana Astra), Limited Liability Company Emirates Blue Sky (EBS), and Limited Liability Company Dubai Water Front (DWF)** — have received numerous privileges for construction projects in and around Minsk, while reaping profits well above the industry norm. Lukashenka has publicly praised the companies' real estate projects, which often underdeliver on grandiose plans.

Dana Holdings, Dana Astra, EBS, and DWF are all being designated pursuant to the E.O. of August 9, 2021 for operating or having operated in the construction sector of the economy of Belarus. Nebojsa Karic is being designated pursuant to the E.O. of August 9, 2021 for having acted or purported to act for or on behalf of, directly or indirectly, Dana Holdings. Dana Holdings is sanctioned by the EU and the UK, and Dana Astra is also sanctioned by the EU.

BELARUSIAN STATE-OWNED ENTERPRISES

Today, OFAC designated two major Belarusian state-owned enterprises (SOEs). **Belaruskali OAO**, one of the world's largest producers of key fertilizer ingredient potassium chloride (potash) and a major source of tax revenue and foreign currency for the Lukashenka regime, is being designated pursuant to the E.O. of August 9, 2021 for being owned or controlled by, directly or indirectly, the Government of Belarus (GoB) and for operating or having operated in the potash sector of the economy of Belarus. On June 24, 2021 the EU prohibited the purchase, import or transfer from Belarus of potash.

OFAC is concurrently issuing [Belarus General License 4, "Authorizing the Wind Down of Transactions Involving Belaruskali OAO,"](#)  to provide U.S. persons 120 days in which to wind down transactions involving Belaruskali OAO, or any entity in which Belaruskali OAO owns, directly or indirectly, a 50 percent or greater interest.

Grodno Tobacco Factory Neman (GTF Neman) is a Belarusian state-owned tobacco factory and a major source of illicit cigarettes in the EU. Manufactured cheaply in Belarus, GTF Neman brands are among the most common cigarettes smuggled into the EU as part of the lucrative contraband tobacco trade. GTF Neman is being designated pursuant to the E.O. of August 9, 2021 for being owned or controlled by, directly or indirectly, the GoB, as well as for operating or having operated in the tobacco products sector of the economy of Belarus.

Additionally, OFAC designated the Belarusian directors of three previously designated Belarusian SOEs: **Andrei Alekseevich Rybakov, Andrei Nikolayevich Bunakov, and Igor Vasilyevich Lyashenko**. These three individuals are being designated pursuant to E.O. 13405 for acting or purporting to act for or on behalf of, directly or indirectly, respectively, Belneftekhim, Belshina OAO, and Grodno Azot OAO. Belneftekhim was designated by OFAC in 2007 pursuant to E.O. 13405 for being owned or controlled by Lukashenka. Belshina OAO and Grodno Azot OAO were designated by OFAC in 2011 pursuant to E.O. 13405 for being owned or controlled by Belneftekhim. These three entities were previously covered under Belarus General License 2; however, given the sharply deteriorating human rights situation in Belarus, the United States government in April 2021 determined a further extension would be inconsistent with the Belarus Democracy Act and incompatible with American values.

BELARUSIAN SECURITY SERVICES

In response to the ongoing violence and repression against peaceful protesters, civil society, independent media, and political opposition in Belarus, OFAC continues to sanction individuals and entities in Belarus' security services that participate in the violent crackdown and continued assault on ordinary citizens, peaceful protesters, journalists, members of the opposition, and civil society.

Today, OFAC is designating the **Investigative Committee of the Republic of Belarus (Belarusian SK)**, a government organization at the forefront of post-election repression, pursuant to the E.O. of August 9, 2021 for being a political subdivision, agency, or instrumentality of the GoB. As the law enforcement body charged with prosecuting major crimes in Belarus, the Belarusian SK continues to open and investigate politically-motivated criminal cases against human rights organizations, as well as against Belarusian dissident journalist Raman Pratasevich and his partner Sofia Sapega, who were detained following the internationally condemned forced diversion of a Ryanair flight in Minsk on May 23, 2021. In November 2020, the Belarusian SK launched an investigation into Pratasevich for carrying out his journalistic responsibilities and his work with a popular instant messaging channel used by the opposition.

Additionally, OFAC is designating members of the Belarusian SK's leadership team — including chairman **Dzmitry Hara (Hara)** and his deputies, **Oleg Stanislavovich Shandarovich (Shandarovich)**, **Anatoly Ivanovich Vasiliev (Vasiliev)**, and **Siarhei Yakaulevich Azemsha (Azemsha)**, pursuant to the E.O. of August 9, 2021. **Hara**, who sat next to Pratasevich at a staged press conference where Pratasevich was forced to express admiration for Lukashenka, is being designated for being or having been a leader or official of the GoB. **Shandarovich**, **Vasiliev**, and **Azemsha** are being designated for being leaders, officials, senior executive officers, or members of the board of directors of the Belarusian SK. Canada, the EU, and the UK have sanctioned Azemsha, and the EU sanctioned Hara.

Following previous OFAC designations of the local security organizations in the Belarusian cities of Minsk and Brest, OFAC is also designating the **Department of Internal Affairs of the Gomel Regional Executive Committee (Gomel UVD)**, a GOB security services organization that was involved in the repression of peaceful protests in the Belarusian city of Gomel. The

Gomel UVD is being designated today pursuant to E.O. 13405 for being responsible for, or having participated in, actions or policies that undermine democratic processes or institutions in Belarus.

OFAC is also imposing sanctions against four Belarusian officials of Akrestsina, the notorious Minsk detention center complex where many peaceful protesters, journalists, and other members of civil society are detained and subjected to human rights abuses. OFAC designated Akrestsina on June 21, 2021 pursuant to E.O. 13405 for having materially assisted, sponsored, or provided financial, material, or technological support for, or goods or services in support of, human rights abuses related to political repression in Belarus. Akrestsina officials **Yauhen Shapetska, Ihar Keniukh, Hleb Dryl, and Uladzimir Lapyr** are being designated by OFAC pursuant to the E.O. of August 9, 2021 for being or having been leaders or officials of the GoB. The same Akrestina officials were also sanctioned by the EU.

Kanstantsin Bychak (Bychak) is the head of the State Security Committee of the Republic of Belarus' (Belarusian KGB) Investigations Department. OFAC designated the Belarusian KGB on June 21, 2021 pursuant to E.O. 13405 for being responsible for, or having participated in, actions or policies that undermine democratic processes or institutions in Belarus. Bychak publicly defended the detention of Belarusian-American dual national Youras Ziankovich in a supposed assassination plot, a fabricated attempt by the Lukashenka regime to justify the detention of Belarusian opposition figures. Bychak also stated that protesters' actions can be considered terrorist acts and hailed recent actions to suppress independent media as an operation "to purge radically disposed individuals." Bychak is sanctioned by the EU. Bychak is being designated by OFAC today pursuant to the E.O. of August 9, 2021 for being or having been a leader or official of the GoB.

RYANAIR INCIDENT

On May 23, 2021, Belarusian authorities forced the diversion of commercial Ryanair flight 4978 while the flight was in Belarusian airspace en route to Lithuania. Once the plane landed in Minsk, Belarusian officials detained journalist Pratasevich and his partner, who were on board the Ryanair flight. Both Pratasevich and his partner continue to be detained by Belarusian authorities. This act, which Lukashenka claims was the result of a bomb

threat, was decried by the international community and is currently the subject of an investigation by the International Civil Aviation Organization. Today, OFAC designated five GoB officials in connection with the Ryanair incident:

- **Aliaksei Mikalaevich Auramenka (Auramenka)**, Belarus' Minister of Transport and Communications;
- **Artsiom Sikorski (Sikorski)**, the head of the aviation department within the Ministry of Transport and Communications;
- **Leanid Churo (Churo)**, the director of Belarus' air traffic control entity, who defended the forced diversion;
- **Vyacheslav Vasilyevich Khoroneko (Khoroneko)**, the director of the state-owned Minsk National Airport; and
- **Aleh Haidukevich (Haidukevich)**, a Belarusian member of parliament who defended the forced diversion.

Auramenka, Sikorski, Churo, and Haidukevich are sanctioned by Canada, the EU, and the UK. All five individuals are being designated by OFAC pursuant to the E.O. of August 9, 2021 for being or having been leaders or officials of the GoB.

GOVERNMENT OF BELARUS OFFICIALS

Belarusian government officials and politicians work to keep Lukashenka in power every day. Today, OFAC designated two influential GoB officials that are particularly close to Lukashenka and contribute to the continuance of his regime.

Lukashenka hired **Darya Shmanai (Shmanai)** to work in his protocol service shortly after college; she now serves as a Belarusian government official in Moscow, Russia. Shmanai and Lukashenka are alleged to have a very close relationship and have often appeared together at public events.

Genadz Davydzka (Davydzka) is a Belarusian member of parliament and the head of Belaya Rus, a pro-Lukashenka political organization. Davydzka has encouraged the Belarusian state to use violence against peaceful protesters and vocally supported a piece of legislation that

would recognize journalists covering protests as participants in the demonstrations. The EU also sanctioned Davydzka.

OFAC is designating Shmanai and Davydzka pursuant to the E.O. of August 9, 2021 for being or having been leaders or officials of the GoB.

ATHLETICS, HUMAN RIGHTS ABUSES, AND CORRUPTION

Lukashenka considers himself both a sportsman and a patron of sports, using international athletic competitions as a symbol of regime prestige and potentially as a conduit of financial crimes. Today, OFAC designated one Belarusian athlete and two Belarusian sports organizations tied to the Belarusian regime.

Dzmitry Shakuta (Shakuta) is a prominent Belarusian athlete and former champion kickboxer. On November 11, 2020, he took part in a violent attack against Belarusian military veteran and peaceful protester Raman Bandarenka and helped transfer him to Belarusian authorities, where additional beatings likely took place ultimately leading to Bandarenka's death. Shakuta also allegedly works as a special training instructor for the Internal Troops of the Ministry of Internal Affairs of the Republic of Belarus (Internal Troops). OFAC designated the Internal Troops on June 21, 2021 pursuant to E.O. 13405 for being responsible for, or having participated in, actions or policies that undermine democratic processes or institutions in Belarus.

Shakuta is being designated pursuant to E.O. 13405 for being responsible for, or having participated in, human rights abuses related to political repression in Belarus. Minsk-based gym **Shock Sports Club** is also being designated pursuant to E.O. 13405 for being owned or controlled by, directly or indirectly, Shakuta.

OFAC is also designating the **National Olympic Committee of the Republic of Belarus (Belarusian NOC)**. Until February 2021, the Belarusian NOC was led by Lukashenka himself, at which point he transitioned control of the organization to his oldest son, Viktor Lukashenka. Like his father, Viktor Lukashenka was included by the President in the Annex to E.O. 13405 on June 16, 2006. Both Alyaksandr and Viktor Lukashenka were banned from

attending the 2020 Olympic Games in Tokyo, Japan, following their suspensions by the International Olympic Committee (IOC) in December 2020 for failing to protect athletes who took part in protests against the Lukashenka regime. The Belarusian NOC also allegedly serves as a tool for Lukashenka and his inner circle to launder funds and evade sanctions. The Belarusian NOC is being designated pursuant to E.O. 13405 for being owned or controlled by, directly or indirectly, Viktor Lukashenka.

SANCTIONS IMPLICATIONS

As a result of today's action, all property and interests in property of the individuals and entities above that are in the United States or in the possession or control of U.S. persons are blocked and must be reported to OFAC. In addition, any entities that are owned, directly or indirectly, 50 percent or more by one or more blocked persons are also blocked. All transactions by U.S. persons or within (or transiting) the United States that involve any property or interests in property of designated or otherwise blocked persons are prohibited unless authorized by a general or specific license issued by OFAC, or otherwise exempt. These prohibitions include the making of any contribution or provision of funds, goods, or services by, to, or for the benefit of any blocked person or the receipt of any contribution or provision of funds, goods, or services from any such person.

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

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