

# U.S. DEPARTMENT OF THE TREASURY

## Treasury Targets Corruption Networks Linked to Transnational Organized Crime

December 8, 2021


### *Global Magnitsky Designations Target Nexus Between Public Corruption and Organized Crime*

WASHINGTON — Today, the U.S. Department of the Treasury's Office of Foreign Assets Control (OFAC) is targeting 16 individuals and 24 entities across several countries in Europe and the Western Hemisphere. Today's actions are taken pursuant to Executive Order (E.O.) 13818, which builds upon and implements the Global Magnitsky Human Rights Accountability Act, and targets perpetrators of corruption and serious human rights abuse.

"Transnational organized crime and corruption often go hand in hand with massively destabilizing effects on rule of law and democratic governance," said Director of the Office of Foreign Assets Control Andrea M. Gacki. "Treasury will continue to aggressively dismantle links between transnational criminal organizations and corrupt activity, especially by those in office who hold the public's trust."

These designations follow previous actions this week targeting corruption in the Democratic Republic of Congo and persons contributing to repression and the undermining of democracy around the world.

## **ORGANIZED CRIME AND CORRUPTION**

The [United States' Strategy on Countering Corruption](#) , released December 6, highlights the importance of addressing the nexus between corruption, criminal, and other illicit activity as a national security priority. Organized crime and corruption are often linked — organized crime groups destabilize civil society and collude with public officials to insulate themselves from prosecution. Corruption erodes confidence in democratic institutions, particularly where criminal groups benefit from cooperation with public officials, and when illicit actors are allowed to operate with impunity. Organized crime often achieves a transnational reach, where criminal groups operate across borders, undermine the integrity of the international financial system, and complicate law enforcement efforts.

## NORTHERN KOSOVO-BASED TRANSNATIONAL ORGANIZED CRIME: ZVONKO VESELINOVIC AND HIS ORGANIZED CRIME GROUP

**Zvonko Veselinovic (Veselinovic)**, the leader of the Zvonko Veselinovic Organized Crime Group (OCG), is one of Kosovo's most notorious corrupt figures. The Veselinovic OCG is engaged in a largescale bribery scheme with Kosovar and Serbian security officials who facilitate the group's illicit trafficking of goods, money, narcotics, and weapons between Kosovo and Serbia. The group has also conspired with various politicians in several quid pro quo agreements, including the early 2019 bribery of Kosovar security officials to allow their smuggling operations between Serbia and Kosovo and the late 2017 bribery of Kosovar border security officials to allow safe passage for smugglers. As of late 2017, **Veselinovic** and his brother **Zharko Jovan Veselinovic (Zharko)** had agreements with politicians to help their party win elections, secure political victories for their candidates, and contribute large sums of money to candidates. In return, these politicians would grant the brothers control of certain areas for their businesses and where they could conduct their illicit business activities without interference by Serbian authorities, and would also provide proprietary business information to support the brothers' business investments. The politicians would also reward the Veselinovic brothers by working to grant the brothers the best infrastructure contracts. As of late 2017, **Veselinovic** and **Zharko** made donations as a method of laundering money originating from their criminal enterprise. **Zharko** has been a leader in the Veselinovic OCG, working with his brother and the OCG in their smuggling activities, their violent intimidations of businesses, their construction and infrastructure projects, and their telecommunications development projects. Additionally, **Veselinovic** and his group were indicted for their alleged involvement in the murder of political party leader Oliver Ivanovic in January 2018. **Veselinovic** and fellow members of the OCG, **Milan Rajko Radojcic (Radojcic)**, **Zeljko Bojic (Bojic)**, and **Marko Rosic (Rosic)**, were all named in the indictment for the murder, each serving their role in the assassination for the criminal enterprise.

**Veselinovic**, **Zharko**, and **Radojcic** are designated pursuant to E.O. 13818 for being foreign persons who are or have been a leader or official of an entity, including any government entity, that has engaged in, or whose members have engaged in, corruption, including the misappropriation of state assets, the expropriation of private assets for personal gain, corruption related to government contracts or the extraction of natural resources, or bribery, related to their tenure.

**Bojic** is designated pursuant to E.O. 13818 for having materially assisted, sponsored, or provided financial, material, or technological support for, or goods or services to or in support of, **Veselinovic**.

- **Rosic**
- **Andrija Zheljko Bojic**
- **Srdjan Milivoje Vulovic**
- **Milan Mihajlovic**
- **Miljan Radisavljevic (Miljan)**
- **Miljojko Radisavljevic (Miljojko)**
- **Radovan Radic (Radic)**
- **Sinisa Nedeljkovic (Nedeljkovic)**
- **Radule Stevic (Stevic)**

OFAC designated four entities across Europe that are owned or controlled by Veselinovic pursuant to E.O. 13818:

- **Inkop DOO Cuprija (Inkop)**, based in Serbia
- **Civija Komerc**, based in Serbia
- **S.Z.T.R. Prizma B.I.**, based in Kosovo
- **Ferari Preduzeee Za Usluge I Promet Polovnim Vozilima SH.A.**, based in Kosovo

OFAC designated three entities across Europe that are owned or controlled by Inkop pursuant to E.O. 13818:

- **Betonjerka DOO Aleksinac**, based in Serbia
- **Dolly Bell DOO Beograd-Novi Beograd**, based in Serbia
- **Novi Pazar-Put D.O.O. Novi Pazar**, based in Serbia

OFAC designated two entities across Europe that are owned or controlled by Zharko pursuant to E.O. 13818:

- **Zarko Veselinovic B.I., S.T.R. Kristal**, based in Kosovo
- **Nautikacentar D. O. O.**, based in Croatia

OFAC designated three entities across Europe that are owned or controlled by Stevic pursuant to E.O. 13818:

- **DOO Rad 028 Zvecan**, based in Serbia

- **Radule Stevic B.I., P.T.P. Rad**, based in Kosovo
- **Rad D.O.O.**, based in Kosovo

OFAC designated seven entities across Europe that are owned or controlled by Nedeljkovic pursuant to E.O. 13818:

- **Markom Metal Commerce DOO Zvecan**, based in Serbia
- **Metal-Robna Kuca**, based in Serbia
- **Sinisa Nedeljkovic B.I., P.T.P. Metal**, based in Kosovo
- **P.P.Robna Kuca Metal B.I.**, based in Kosovo
- **Farma Izvori B.I.**, based in Kosovo
- **Robna Kuca Metal D.O.O.**, based in Kosovo
- **Sinisa Nedeljkovic I.B.**, based in Kosovo

OFAC designated two entities across Europe that are owned or controlled by Miljan pursuant to E.O. 13818:

- **DOO MM Kom Inter Blue Donji Jasenovik**, based in Serbia
- **P.P. Babudovac B.I.**, based in Kosovo

OFAC also designated three entities across Europe that are owned or controlled by other members of this organized crime group pursuant to E.O. 13818:

- **DOO Babudovac Brnjak**, based in Serbia and owned or controlled by Miljojko
- **Garac Inzenjering OOD**, based in Bulgaria and owned or controlled by Radojic
- **Radovan Radic B.I.**, P.P. Eu Rr Gradnja, based in Kosovo and owned or controlled by Radic

## **ORGANIZED CRIME IN EL SALVADOR: OSIRIS LUNA MEZA, CARLOS AMILCAR MARROQUIN CHICA, AND ALMA YANIRA MEZA OLIVARES**

An investigation into officials of the Government of El Salvador and incarcerated leaders of gangs, such as Treasury-designated Mara Salvatrucha 13 (MS-13), has revealed covert negotiations between government officials and the criminal organization. MS-13 was designated on October 11, 2012 pursuant to E.O. 13581 for its involvement in serious transnational criminal activities, including drug trafficking, kidnapping, human smuggling, sex trafficking, murder, assassinations, racketeering, blackmail, extortion, and immigration offenses. **Osiris Luna Meza (Luna)** and **Carlos Amilcar Marroquin Chica (Marroquin)** led,

facilitated, and organized a number of secret meetings involving incarcerated gang leaders, in which known gang members were allowed to enter the prison facilities and meet with senior gang leadership. These meetings were part of the Government of El Salvador's efforts to negotiate a secret truce with gang leadership.

In 2020, Salvadoran President Nayib Bukele's (Bukele) administration provided financial incentives to Salvadoran gangs MS-13 and 18th Street Gang (Barrio 18) to ensure that incidents of gang violence and the number of confirmed homicides remained low. Over the course of these negotiations with **Luna** and **Marroquin**, gang leadership also agreed to provide political support to the Nuevas Ideas political party in upcoming elections. Nuevas Ideas is the President's political party and won a two-thirds super majority in legislative elections in 2021. The Bukele administration was represented in such transactions by **Luna**, the Chief of the Salvadoran Penal System and Vice Minister of Justice and Public Security, and **Marroquin**, Chairman of the Social Fabric Reconstruction Unit. In addition to Salvadoran government financial allocations in 2020, the gangs also received privileges for gang leadership incarcerated in Salvadoran prisons, such as the provision of mobile phones and prostitutes.

Amidst the COVID-19 pandemic, **Luna** also negotiated an agreement with gang leaders from MS-13 and Barrio 18 for the gangs' support of President Bukele's national quarantine in gang-controlled areas. Separately, **Luna** participated in a scheme to steal and re-sell government purchased staple goods that were originally destined for COVID-19 pandemic relief. These items were transferred to private companies and then resold on the private market or back to the government. **Luna's** mother, **Alma Yanira Meza Olivares (Meza)**, acted as the negotiator in some of these transactions. Additionally, **Luna** and **Meza** developed a scheme to embezzle millions of dollars from El Salvador's prison commissary system. They also created fraudulent job positions within the prison system, in which supposed "employees" would receive monthly paychecks and return most of the earnings back to **Luna** and **Meza**.

**Luna** and **Marroquin** are designated pursuant to E.O. 13818 for being foreign persons who are current or former government officials, or persons acting for or on behalf of such an official, who are responsible for or complicit in, or have directly or indirectly engaged in, corruption, including the misappropriation of state assets, the expropriation of private assets for personal gain, corruption related to government contracts or the extraction of natural resources, or bribery.

**Meza** is designated pursuant to E.O. 13818 for having materially assisted, sponsored, or provided financial, material, or technological support for, or goods or services to or in support of, **Luna**.

## SANCTIONS IMPLICATIONS

As a result of today's action, all property and interests in property of the persons 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. Unless authorized by a general or specific license issued by OFAC, or otherwise exempt, 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. The 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.

## GLOBAL MAGNITSKY

Building upon the Global Magnitsky Human Rights Accountability Act, E.O. 13818 was issued on December 20, 2017, in recognition that the prevalence of human rights abuse and corruption that have their source, in whole or in substantial part, outside the United States, had reached such scope and gravity as to threaten the stability of international political and economic systems. Human rights abuse and corruption undermine the values that form an essential foundation of stable, secure, and functioning societies; have devastating impacts on individuals; weaken democratic institutions; degrade the rule of law; perpetuate violent conflicts; facilitate the activities of dangerous persons; and undermine economic markets. The United States seeks to impose tangible and significant consequences on those who commit serious human rights abuse or engage in corruption, as well as to protect the financial system of the United States from abuse by these same persons.

[Click here to view more information on today's designations.](#)