

# Cooperation with Mexico Results in Treasury Sanctions of Arms Trafficker Tied to Major Drug Cartel

July 11, 2022

*CJNG member operating along the U.S-Mexico border moves high-caliber firearms and ammunition southbound into Mexico.*

WASHINGTON – Today, the U.S. Department of the Treasury’s Office of Foreign Assets Control (OFAC) designated an individual engaged in the trafficking of high-caliber firearms from the United States to one of Mexico’s most powerful drug organizations. OFAC designated **Obed Christian Sepulveda Portillo** pursuant to Executive Order (E.O.) 14059 for acting for or on behalf of the Cartel de Jalisco Nueva Generacion (CJNG), a violent drug trafficking organization based in Mexico responsible for a significant proportion of fentanyl and other deadly drugs trafficked into the United States.

Today’s action is the result of ongoing efforts by U.S. agencies and the Government of Mexico to disrupt Mexican drug trafficking organizations’ procurement of weapons, including those sourced in the United States. This action would not have been possible without the cooperation and support of the Government of Mexico, the Department of Homeland Security’s Homeland Security Investigations (HSI) division, and the Bureau of Alcohol, Tobacco, Firearms, and Explosives (ATF).

“CJNG’s power and violence are only possible because of its ability to obtain high-powered weapons, which are used to protect drug trafficking routes, territory, and other illicit assets,” said Under Secretary of the Treasury for Terrorism and Financial Intelligence Brian E. Nelson. “Treasury is actively targeting those who support and supply drug trafficking and criminal organizations, especially those engaged in the production and distribution of synthetic opioids that claim the lives of tens of thousands of Americans each year.”

**Obed Christian Sepulveda Portillo** (Obed Sepulveda), a Mexican national, was designated for being directed by, or acting or purporting to act for or on behalf of, directly or indirectly, CJNG. Obed Sepulveda coordinates the daily procurement of firearms and bulk ammunition from the U.S. southwest border into Mexico through a network of individuals working directly with CJNG.

## PREVIOUS ACTIONS AGAINST CJNG

On April 8, 2015, OFAC designated CJNG and its leader, Oseguera Cervantes, pursuant to the Foreign Narcotics Kingpin Designation Act (Kingpin Act) for playing a significant role in international narcotics trafficking. On December 15, 2021, OFAC also designated CJNG and Oseguera Cervantes pursuant to E.O. 14059. OFAC has also designated a wide range of businesses and individuals that play critical roles in CJNG's drug trafficking activities.

## SANCTIONS IMPLICATIONS

As a result of today's action, all property and interests in property of this designated individual 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 transactions by U.S. persons or persons within (or transiting) the United States that involve any property or interests in property of designated or otherwise blocked persons. As with any provision of goods or services, including firearms, unlicensed transactions or dealings by U.S. persons for the direct or indirect benefit of any designated drug trafficking organization are prohibited. U.S. persons may face civil or criminal penalties for violations of these sanctions.

Today's action is part of a whole-of-government effort to counter the global threat posed by the trafficking of illicit drugs into the United States that is causing the deaths of tens of thousands of Americans annually, as well as countless more non-fatal overdoses. OFAC, in coordination with its U.S. government partners and foreign counterparts, will continue to target and pursue accountability for foreign illicit drug actors.

U.S. sanctions need not be permanent; sanctions are intended to bring about a positive change of behavior. Consistent with the findings of Treasury's 2021 Sanctions Review, the removal of sanctions is available for persons designated under counter narcotics authorities who demonstrate a change in behavior and no longer engage in activities linked to international illicit drug trafficking or other sanctionable activity.

For information concerning the process for seeking removal from any OFAC list, including the Specially Designated Nationals and Blocked Persons List (SDN List), please refer to OFAC's Frequently Asked Question 897. Additional information regarding sanctions programs administered by OFAC can be found here.

[For more information on the individual designated today, click here.](#)

[To view a chart on the individual designated today, click here.](#) 

Tips concerning the individual designated today can be submitted to HSI by phone (+1-866-347-2423).