

U.S. DEPARTMENT OF THE TREASURY

Remarks by Assistant Secretary for Terrorist Financing and Financial Crimes Elizabeth Rosenberg at Media Engagement in Astana, Kazakhstan

April 27, 2023

As prepared for delivery

Let me begin by sharing a little about why our group from the US, EU, and UK are all in Central Asia this week.

Russia's illegal invasion of Ukraine, a violation of the principle of territorial integrity, has led to the senseless loss of thousands of innocent lives.

From the very beginning, a multilateral coalition of countries has imposed both financial sanctions and export controls on Russia in service of disrupting their war machine:

One, we are denying Russia the inputs and equipment it needs on the battlefield.

Two, we are limiting the revenue that the Kremlin relies on to fund its war.

One of the ways we know that our approach is working is that Russia has been actively seeking ways to circumvent sanctions to replenish military supplies - in fact, the Kremlin has tasked its intelligence services with finding ways to do so.

They are seeking international businesses to work with, often operating through middle-men or creating shell companies to hide their behavior.

These shell companies may display suspicious behaviors such as being created very recently to ship critical goods to Russia, having no physical address, or using unusual payment methods such as large cash purchases or routing payments through additional countries.

In the face of this effort, those of us here today from the US, EU, and UK representing our coalition have launched a global push, including with our partners in Central Asia, to crack down on sanctions evasion and the provision of goods and services for Putin's military.

Our coalition represents over one half of the world's total GDP - the biggest and most connected economies.

There is a clear choice at hand for businesses: they can keep their ties to the world's most important markets, or they can be active participants in the Russian war effort by facilitating, or turning a blind eye to, supplies heading to the battlefield.

Russia is seeking to use countries and jurisdictions with high levels of economic integration with its own economy to purchase and move supplies. Our top priority is to prevent Russia from repurposing goods for the war, and to cut off its facilities from the inputs needed to fill their production gaps.

We are sharing information with firms and the government here to aid in their compliance efforts and to help navigate our sanctions regimes.

We are providing intelligence, technical assistance, and actionable information to government regulators and private sector entities to help enable countries to stamp out Russian defense procurement in or through their jurisdictions.

We work with a number of partners, including Kazakhstan, to identify risks and offer support. We are sharing similar information with firms in our own countries and around the world.

We enjoy very open communication with the Government of Kazakhstan and above all, we seek to be a good partner to both government and industry in their efforts to ensure that they are not a target for Russia to exploit.