

Treasury Sanctions Military-Affiliated Companies Fueling Both Sides of the Conflict in Sudan

June 1, 2023

WASHINGTON — Today, the U.S. Department of the Treasury’s Office of Foreign Assets Control (OFAC) designated four companies generating revenue from, and contributing to, the conflict in Sudan. The entities designated today are affiliated with the two embattled forces that are fueling the ongoing conflict in Sudan: two companies affiliated with the paramilitary Rapid Support Forces (RSF) and two companies affiliated with the Sudanese Armed Forces (SAF).

“Through sanctions, we are cutting off key financial flows to both the Rapid Support Forces and the Sudanese Armed Forces, depriving them of resources needed to pay soldiers, rearm, resupply, and wage war in Sudan,” said Secretary of the Treasury Janet L. Yellen. “The United States stands on the side of civilians against those who perpetuate violence towards the people of Sudan.”

Entities Associated with the RSF

AL JUNAID MULTI ACTIVITIES CO LTD

Al Junaid Multi Activities Co Ltd is a Sudanese holding company controlled by RSF Commander Mohamed Hamdan Dagalo and his brother, RSF Deputy Commander Abdul Rahim Dagalo. Based in Khartoum, Al Junaid operates 11 subsidiaries across multiple economic sectors, including the gold mining industry. Since the RSF’s expropriation of the Jebel Amer gold mine in 2017, gold mining and export has become a vital source of revenue for the Dagalo family and the RSF.

OFAC designated Al Junaid Multi Activities Co Ltd pursuant to Executive Order (E.O.) 14098 for being responsible for, or complicit in, or having directly or indirectly engaged or attempted to engage in actions or policies that threaten the peace, security, or stability of Sudan.

TRADIVE GENERAL TRADING L.L.C.

Tradive General Trading L.L.C. is a front company controlled by RSF Major Algoney Hamdan Dagalo. Based in the UAE, Tradive General Trading L.L.C. is a procurement company that has purchased vehicles for the RSF in the past. Some of these vehicles may have been retrofitted with machine guns for the RSF to use to patrol the streets of Khartoum and elsewhere in Sudan.

Tradive General Trading L.L.C. was designated pursuant to E.O. 14098 for being responsible for, or complicit in, or having directly or indirectly engaged or attempted to engage in actions or policies that threaten the peace, security, or stability of Sudan.

Entities Associated with the SAF

DEFENSE INDUSTRIES SYSTEM

Defense Industries System is Sudan's largest defense enterprise, generating an estimated \$2 billion in revenue via hundreds of subsidiaries across various sectors of Sudan's economy. DIS manufactures a range of small arms, conventional weapons, ammunition, and military vehicles for the SAF, and uses a complex system to hide its ownership of these subsidiaries and to obtain favorable letters of credit from the Sudan Central Bank. Defense Industries System not only defaults on the loans obtained under these letters of credit but also uses these favorable funds guarantees to compete unfairly with civilian businesses that do not enjoy such favorable financial terms. In addition, between the opaque ownership structure of its subsidiaries and certain tax exemptions, Defense Industries System contributes little, if anything, to Sudan's revenues.


OFAC designated Defense Industries System pursuant to E.O. 14098 for being responsible for, or complicit in, or having directly or indirectly engaged or attempted to engage in actions or policies that threaten the peace, security, or stability of Sudan.

SUDAN MASTER TECHNOLOGY

Sudan Master Technology (SMT), an arms company, is a shareholder in multiple Defense Industries System companies and a major shareholder in three companies involved producing weapons and vehicles for the SAF.

OFAC designated Sudan Master Technology pursuant to E.O. 14098 for being responsible for, or complicit in, or having directly or indirectly engaged or attempted to engage in actions or policies that threaten the peace, security, or stability of Sudan.

GENERAL LICENSES

Consistent with the humanitarian exceptions to sanctions outlined in United Nations Security Council Resolution 2664 and [implemented by the U.S. in December 2022](#), recommendations from Treasury's [2021 Sanctions Review](#) , and OFAC's policy of supporting the basic needs of vulnerable populations while continuing to deny resources to malign actors, OFAC is issuing three general licenses (GLs) concurrent with today's action.

These GLs authorize certain activities of international organizations and nongovernmental organizations and certain transactions relating to the provision of water, food, and agricultural and medical items to Sudan. They are designed to ensure that humanitarian assistance and related trade reaches Sudanese civilians through legitimate and transparent channels, while simultaneously maintaining the effective use of targeted sanctions against those contributing to the situation in Sudan.

SANCTIONS IMPLICATIONS

As a result of today's action, all property and interests in property of these persons 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, individually or in the aggregate, 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 exempt, 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 designated or otherwise blocked persons.

Recognizing the importance of allowing certain transactions that can benefit the Sudanese people, concurrent with today's action OFAC is issuing general licenses to authorize certain activities of international organizations, nongovernmental organizations, and persons engaged in particular transactions relating to water and agricultural and medical items, that would otherwise be prohibited under E.O. 14098.

The power and integrity of OFAC sanctions derive not only from its ability to designate and add persons to the SDN List, but also from OFAC's willingness to remove persons from the SDN List consistent with the law. The ultimate goal of sanctions is not to punish, but to bring about a positive change in behavior. For information concerning the process for seeking removal from an

OFAC list, including the SDN List, please refer to OFAC's Frequently Asked Question [897](#). For detailed information on the process to submit a request for removal from an OFAC sanctions list, please click [here](#).

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

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