Treasury Imposes Sanctions on Russian Elites and a Russian Business Association

August 11, 2023

WASHINGTON – Today, the U.S. Department of the Treasury’s Office of Foreign Assets Control (OFAC) issued a new round of sanctions targeting prominent members of Russia’s financial elite, as well as a Russian business association. The four individuals targeted today include Petr Olegovich Aven, Mikhail Maratovich Fridman, German Borisovich Khan, and Alexey Viktorovich Kuzmichev, all of whom have served on the supervisory board of the Alfa Group Consortium (“Alfa Group”), one of the largest financial and investment conglomerates in Russia. These individuals were previously sanctioned by Australia, Canada, the European Union, New Zealand, and the United Kingdom.

“ Wealthy Russian elites should disabuse themselves of the notion that they can operate business as usual while the Kremlin wages war against the Ukrainian people,” said Deputy Secretary of the Treasury Wally Adeyemo. “Our international coalition will continue to hold accountable those enabling the unjustified and unprovoked invasion of Ukraine.”

TARGETING A RUSSIAN BUSINESS ASSOCIATION INVOLVED IN RUSSIA’S RESPONSES TO SANCTIONS

The Russian Association of Employers the Russian Union of Industrialists and Entrepreneurs (RSPP) is a Russia-based organization involved in the technology sector of the Russian Federation economy. RSPP has a variety of coordinating councils, including ones that promote import substitution, technology independence, and technology development. It has also been involved in activities related to Russia’s responses to sanctions imposed on Putin’s regime since Russia’s full-scale invasion of Ukraine.

The RSPP was designated pursuant to Executive Order (E.O.) 14024 for operating or having operated in the technology sector of the Russian Federation economy.

TARGETING RUSSIAN ELITES

Petr Olegovich Aven (Aven) serves as the chairman of the board of a Russia-based insurance company and is a member of the supervisory board of the Alfa Group.
Aven was designated pursuant to E.O. 14024 for operating or having operated in the financial services sector of the Russian Federation economy.

**Mikhail Maratovich Fridman (Fridman)** is the founder of the Alfa Group, was the former chairman of the supervisory board of the Alfa Group, and remains involved in the conglomerate. Additionally, Fridman chairs an RSPP committee.

Fridman was designated pursuant to E.O. 14024 for operating or having operated in the financial services sector of the Russian Federation economy. Fridman was also designated pursuant to E.O. 14024 for having acted or purported to act for or on behalf of, directly or indirectly, the RSPP.

**German Borisovich Khan (Khan)** is a member of the supervisory board of the Alfa Group. Additionally, Khan is the chairman of the board of a Russian company that is engaged in construction activities, and is a participant/founder of a separate company also engaged in construction activities.

Khan was designated pursuant to E.O. 14024 for operating or having operated in the financial services sector of the Russian Federation economy. Khan was also designated pursuant to E.O. 14024 for operating or having operated in the construction sector of the Russian Federation economy.

**Alexey Viktorovich Kuzmichev (Kuzmichev)** is a member of the supervisory board of the Alfa Group and leads a Russia-based investment company.

Kuzmichev was designated pursuant to E.O. 14024 for operating or having operated in the financial services sector of the Russian Federation economy.

### 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. All transactions by U.S. persons or within (or transiting) the United States that involve any property or interests in property of designated or blocked persons are prohibited unless authorized by a general or specific license issued by OFAC, or 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 and the receipt of any contribution or provision of funds, goods, or services from any such person.
Consistent with today’s action, private sector partners are encouraged to review the Global Advisory on Russian Sanctions Evasion, an advisory issued jointly by the members of the multilateral Russian Elites, Proxies, and Oligarchs (REPO) Task Force. International partners and the private sector are encouraged to leverage this advisory to contribute to effective sanctions implementation and compliance.

The power and integrity of OFAC sanctions derive not only from OFAC’s ability to designate and add persons to the Specially Designated Nationals and Blocked Persons List (SDN List), but also from its 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 identifying information on the individuals and entity sanctioned or property identified today, click here.

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