

Treasury Targets Belarusian Revenue Generators for Lukashenka, Human Rights Abuses, and Cogs in Russia's War Machine

December 5, 2023

WASHINGTON — Today, the U.S. Department of the Treasury's Office of Foreign Assets Control (OFAC) is designating 11 entities and seven individuals pursuant to Executive Order (E.O.) 14038 and one individual pursuant to E.O. 14024. This action increases the pressure on Alyaksandr Lukashenka's (Lukashenka) authoritarian regime for its brutal suppression of Belarus's democratic civil society, corrupt financial enrichment of the Lukashenka family, and complicity in Russia's unjustified war against Ukraine.

"Today's action reaffirms our efforts to hold Lukashenka, his family, and his regime accountable for their anti-democratic actions and human rights abuses, both in Belarus and around the world," said Under Secretary of the Treasury for Terrorism and Financial Intelligence Brian E. Nelson. "We will continue to target the Lukashenka regime's revenue generators, his so-called personal 'wallets,' and actors who facilitate Russia's war of aggression in Ukraine, coordinate the movement of children from Ukraine to Belarus, and support Lukashenka's authoritarian regime."

BELARUS'S COMPLICITY IN DEPORTATION OF UKRAINIAN CHILDREN

Dzmitry Shautsou (Shautsou) is the Secretary General for the Belarus Red Cross. Since the start of Russia's invasion of Ukraine, Russia has been transferring hundreds of thousands of children from Ukraine to Russia. Belarus has been complicit and supportive of Russia's efforts to collect and transport Ukrainian children to Belarus. The International Criminal Court has issued arrest warrants for both Russian President Vladimir Putin and the Commissioner for Children's Rights in the Office of the President of the Russian Federation Maria Lvova-Belova for their roles in the unlawful deportation and transfer of children from Russia-occupied areas of Ukraine.

Russia's federal government and Belarus' regime have been working together to coordinate and fund the movement of children from Ukraine to Belarus. Both Ukraine and the Belarusian democratic opposition have labelled the transfers unlawful deportations. In June 2023, the Belarusian Red Cross reported that more than 700 Ukrainian children were in Belarus. In July 2023, the Belarus Red Cross sparked international outrage due during Shautsou's visitation of children in Luhansk, Ukraine, where Shautsou claimed on Belarus state television that the organization has been actively involved in bringing Ukrainian children from Russian-occupied areas of Ukraine to Belarus. Additionally, Shautsou's appearance in Luhansk was ultimately in aid of Lvova-Belova-led Russian government efforts to remove Ukrainian children from Russian-occupied area of Ukraine to Belarus. In November 2023, Lvova-Belova met with the Plenipotentiary Ambassador of Russia to Belarus to plan out next joint steps for the protection of children.

On October 4, 2023, IFRC called for Shautsou's removal, and on December 1, 2023, IFRC suspended the membership of the Belarus Red Cross Society for non-compliance with this order due to their refusal to remove him from his position.

OFAC is designating Shautsou pursuant to E.O. 14024 for having materially assisted, sponsored, or provided financial, material, or technological support for, or goods or services to or in support of, Maria Lvova-Belova, a person whose property and interests in property are blocked pursuant to E.O. 14024.

LUKASHENKA'S 'WALLETS' AND REGIME REVENUE GENERATORS

Aliaksandr Shakutsin (Shakutsin) is a member of Lukashenka's inner circle and is one of the leading businessmen in Belarus, having made his fortune benefitting from privatization under Lukashenka. Shakutsin has served as one of Lukashenka's closest supporters and as one of his 'wallets,' providing funds to Lukashenka and his regime in exchange for preferential treatment and benefits. In 2020, Shakutsin openly backed Lukashenka in the wake of Belarus's fraudulent election and denigrated pro-democracy protestors as the Regime began to initiate its widespread repression of civil liberties. Shakutsin, who has already been sanctioned by numerous U.S. allies, continues to attempt to evade sanctions through front companies in Europe and the Middle East, and regularly violates machinery import bans into Belarus and Russia.

OFAC is designating Shakutsin pursuant to E.O. 14038 for operating or having operated in the construction sector of the Belarus economy.

Through his primary business, **Open Joint Stock Company Management Holding Company Amkodor (Amkodor)**, Shakutsin controls a considerable piece of Belarus's construction machinery and machinery components production. Since at least 2021, Shakutsin has personally offered Amkodor's services as a developer of defense technology to Lukashenka and the Belarusian Armed Forces. Amkodor is currently developing and planning to produce attack drones and artillery fire systems, which representatives from Amkodor and the Belarusian Armed Forces have described as having high export potential. Despite running a deficit for years, Amkodor has relied on Shakutsin's personal relationship with Lukashenka to secure highly favorable loans and other forms of public support at the expense of the average Belarusian. Amkodor has greatly expanded its footprint in Russia following the withdrawal of foreign businesses in the wake of Russia's war of aggression in Ukraine, and Amkodor has received loans and preferential treatment from the Russian government as well.

OFAC is designating Amkodor pursuant to E.O. 14038 for operating or having operated in the construction sector of the Belarus economy.

Republican Production and Trade Unitary Enterprise Management Company of the Holding Belarusian Cement Company (BCC) is a state-owned enterprise that unites large cement plants in Belarus into a collective holding with a combined production capacity of approximately 5 million tons per year. Reduced export volumes to the European Union (EU) following sectoral EU sanctions in June 2022 have resulted in BCC increasing its exports to Russia to compensate. BCC exported a record 2.3 times more cement to Russia in April 2023 than in April 2022.

OFAC is designating BCC pursuant to E.O. 14038 for being owned or controlled by, or having acted or purported to act for or on behalf of, directly or indirectly, the Government of Belarus (GoB).

Belarusian Production and Trade Concern of Timber Woodworking and Pulp and Paper Industry (Bellesbumprom) is a state-owned enterprise whose activities are divided into three sectors: (1) logging, including procurement and hauling of timber and its cross-cutting; production of industrial wood and wood products; production of sawlog, veneer, matchbox and technological raw materials; and resin extraction; (2) pulp and paper industry specialized in the production of cardboard and paper products with over 20 types of paper and cardboard; and (3) woodworking and furniture production.

OFAC is designating Bellesbumprom pursuant to E.O. 14038 for being owned or controlled by, or having acted or purported to act for or on behalf of, directly or indirectly, the GoB.

Republican Unitary Enterprise Beltamozhservice (Beltamozhservice) is a state-owned Belarusian logistics provider that operates under Belarus's State Customs Committee. Through its position as a state-owned enterprise and as Belarus's official customs representative, Beltamozhservice is a major revenue generator for the Lukashenka regime and has facilitated large-scale smuggling schemes into Russia for the benefit of oligarchs and the Lukashenka regime. Both the EU and Canada have also designated Beltamozhservice for benefitting and supporting the Lukashenka regime and for committing a grave breach of international peace and security, respectively.

OFAC is designating Beltamozhservice pursuant to E.O. 14038 for being owned or controlled by, or having acted or purported to act for or on behalf of, directly or indirectly, the GoB.

Vadim Aleksandrovich Babarikin (Babarikin) serves as the General Director of Beltamozhservice and its branches. OFAC is designating Babarikin pursuant to E.O. 14038 for being or having been a leader or official of the GoB.

Pavel Georgievich Topuzidis (Topuzidis) and **Viktor Evgenievich Petrovich (Petrovich)** are two of Belarus's richest oligarchs and are important 'wallets' for Lukashenka and his regime. Topuzidis is a close confidante and has served in leadership roles on an election commission in Minsk and as Deputy Chairman of the Belarusian Entrepreneurship Development Council. Topuzidis, who has maintained considerable influence in Belarus, has personally funded three ice hockey palaces, including one on one of Lukashenka's personal residences. Canada has also sanctioned Topuzidis for committing a grave breach of international peace and security.

OFAC is designating Topuzidis pursuant to E.O. 14038 for operating or having operated in the tobacco sector of the Belarus economy. OFAC is designating Petrovich pursuant to E.O. 14038 for operating or having operated in the tobacco sector of the Belarus economy.

Through their business, **Tabak Invest LLC (Tabak Invest)**, — which until 2017 was the only private tobacco producer in Belarus — Topuzidis and Petrovich control 30 percent of Belarus's tobacco production. According to investigative journalists in Belarus, Tabak Invest has been heavily involved in an elaborate cigarette smuggling scheme into Russia that has generated millions of dollars in revenue for the company.

OFAC is designating Tabak Invest pursuant to E.O. 14038 for operating or having operated in the tobacco sector of the Belarus economy.

BELARUSIAN DEFENSE SECTOR

JSC Minsk Mechanical Plant Named After S.I. Vavilov Management Company of BelOMO Holding (BelOMO) is a state-owned enterprise that operates in the defense sector in Belarus, producing and selling optical sights for small arms, including telescopic sights and optical sights with illuminated reticles. BelOMO operates as the management company for several other defense sector entities, two of which OFAC is proposing for designation below.

OFAC is designating BelOMO pursuant to E.O. 14038 for being owned or controlled by, or having acted or purported to act for or on behalf of, directly or indirectly, the GoB, and for operating in the defense and related materiel sector of the Belarus economy.

Alexander Ivanovich Moroz (Moroz) is the Director General of BelOMO.

OFAC is designating Moroz pursuant to E.O. 14038 for being or having been a leader, official, senior executive officer, or member of the board of directors of BelOMO, an entity whose property and interests in property are blocked pursuant to E.O. 14038, and for operating in the defense and related materiel sector of the Belarus economy.

JSC Zenit BelOMO (Zenit) is owned by BelOMO, a state-owned enterprise that operates in the defense sector in Belarus. For 50 years, Zenit has produced military sights, including scopes with illuminated reticles, red dot sights, general purpose military sights, and spare parts.

OFAC is designating Zenit pursuant to E.O. 14038 for being owned or controlled by, or having acted or purported to act for or on behalf of, directly or indirectly, BelOMO, an entity whose property and interests in property are blocked pursuant to E.O. 14038, and for operating in the defense and related materiel sector of the Belarus economy.

Nikolai Nikolaevich Gaichuk (Gaichuk) is the Director General of Zenit.

OFAC is designating Gaichuk pursuant to E.O. 14038 for being or having been a leader, official, senior executive officer, or member of the board of directors of Zenit, an entity whose property and interests in property are blocked pursuant to E.O. 14038, and for operating in the defense and related materiel sector of the Belarus economy.

Scientific Technical Center LEMT BelOMO (LEMT) is owned by BelOMO, a state-owned enterprise that operates in the defense sector in Belarus. LEMT specializes in research and development, production, and modernization of optoelectronic and laser devices for unmanned aerial vehicles, laser-optical systems for air defense systems, and integrated

border security and protection systems. LEMT also produces optical sights and systems for light armament, laser rangefinders, range-finding modules based on diode lasers, and laser fire control systems.

OFAC is designating LEMT pursuant to E.O. 14038 for being owned or controlled by, or having acted or purported to act for or on behalf of, directly or indirectly, BelOMO, an entity whose property and interests in property are blocked pursuant to E.O. 14038, and for operating in the defense and related materiel sector of the Belarus economy.

Alexei Petrovich Shkadarevich (Shkadarevich) is the Director General of LEMT.

OFAC is designating Shkadarevich pursuant to E.O. 14038 for being or having been a leader, official, senior executive officer, or member of the board of directors of LEMT, an entity whose property and interests in property are blocked pursuant to E.O. 14038, and for operating in the defense and related materiel sector of the Belarus economy.

SUPPORT FOR RUSSIA'S ILLEGAL WAR EFFORT

Open Joint Stock Company Alevkurp (Alevkurp) is a state-owned military manufacturing company of Belarus, specializing in the creation of new radar systems. Alevkurp was established by the Order of the President of the Republic of Belarus and is part of the State Military Industrial Committee of the Republic of Belarus. Alevkurp was awarded by the Russian Government for developing export-oriented military products. Alevkurp was previously designated by the Canadian Government on November 17, 2022, pursuant to the Special Economic Measures Act.

OFAC is designating Alevkurp pursuant to E.O. 14038 for being owned or controlled by, or having acted or purported to act for or on behalf of, directly or indirectly, the GoB.

Planar Research and Production Holdings for Precision Engineering (Planar) is a developer and supplier of components for microelectronics in Belarus and has experienced a dramatic increase in demand from Russia since 2021 to replace lost imports from the departure of foreign enterprises. In a February 2022 interview, Lukashenka said semiconductor production will be replaced by domestic enterprises Planar, Horizont Group, and Integral. On February 24, 2022, OFAC designated Integral pursuant to E.O. 14038 for being owned or controlled by, or acting or purporting to act for or on behalf of, directly or indirectly, the GoB, as well as for operating or having operated in the defense and related materiel sector of the Belarus economy.

OFAC is designating Planar pursuant to E.O. 14038 for being owned or controlled by, or having acted or purported to act for or on behalf of, directly or indirectly, the GoB.

OJSC Horizont Holding Management Company (Horizont Group) and its related enterprises operate in the consumer and industrial electronics, plastics, and transportation sectors in Belarus. Horizont Group is a critical player in Russia's defense supply chains by providing the Russian military with its latest generation displays. Horizont Group is an authorized investment agent for the GoB since 2011 and produces multifunctional touch interactive solutions for the automotive and aviation industries.

OFAC is designating Horizont Group pursuant to E.O. 14038 for being owned or controlled by, or having acted or purported to act for or on behalf of, directly or indirectly, the GoB.

SANCTIONS IMPLICATIONS

As a result of today's action, all property and interests in property of the designated persons described 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, 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 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.

In addition, financial institutions and other persons that engage in certain transactions or activities with the sanctioned entities and individuals may expose themselves to sanctions or be subject to an enforcement action. The prohibitions include the making of any contribution or provision of funds, goods, or services by, to, or for the benefit of any designated person, or the receipt of any contribution or provision of funds, goods, or services from any such person.

The power and integrity of OFAC sanctions derive not only from OFAC's ability to designate and add persons to the 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 here](#).

[Click here for more information on the individuals and entities sanctioned today.](#)

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