

## US TREASURY REPORT

### WEEK 6 OF 2024

#### **A. OFAC SDN List Update: Russia-related Designations; Publication of Russia-related Determinations; Issuance of Russia-related General License**

On the 8<sup>th</sup> February 2024, OFAC published a Determination for [Prohibitions Related to Imports of Diamond Jewelry and Unsorted Diamonds of Russian Federation Origin and Diamond Jewelry and Unsorted Diamonds Exported From the Russian Federation](#).

According to the Determination, the prohibitions in section 1(a)(i)(A), 1(a)(i)(D), 1(b), and 5 of E.O. 14068 and 31 CFR § 587.802 shall apply to the following products of Russian Federation origin and / or which were exported from the Russian Federation: diamond jewelry and unsorted diamonds.

As a result, the importation and entry into the United States, including importation for admission into a foreign trade zone located in the United States, of diamond jewelry and unsorted diamonds of Russian Federation origin and diamond jewelry and unsorted diamonds exported from the Russian Federation is prohibited, except to the extent provided by law, or unless licensed or otherwise authorized by OFAC.

Furthermore, OFAC published a Determination for [Prohibitions Related to Imports of Certain Categories of Diamonds](#).

As can be seen in the aforementioned Determination, the prohibitions in section 1(a)(i)(B) of E.O. 14068 shall apply to the following categories of diamonds that were mined, extracted, produced, or manufactured wholly or in part in the Russian Federation, notwithstanding whether such diamonds have been substantially transformed into other products outside of the Russian Federation:

(1) effective March 1, 2024, non-industrial diamonds with a weight of 1.0 carat or greater;

and

(2) effective September 1, 2024, non-industrial diamonds with a weight of 0.5 carats or greater.

As a result, the importation and entry into the United States, including importation for admission into a foreign trade zone located in the United States, of such non-industrial diamonds is prohibited, except to the extent provided by law, or unless licensed or otherwise authorized by OFAC.

Additionally, **the OFAC SDN List has been updated with the Russia-related Designations of the following Entities and Vessel:**

### **I. ENTITIES**

NS LEADER SHIPPING INCORPORATED, 80 Broad Street, Monrovia, Liberia; Organization Established Date 12 Oct 2006; Identification Number IMO 5305560; Registration Number C-109156 (Liberia) [RUSSIA-EO14024].

OIL TANKERS SCF MGMT FZCO, Unit 27610-001, Building A1, IFZA Business Park, DDP, Dubai Silicon Oasis, Dubai, United Arab Emirates; Identification Number IMO 6396404 [RUSSIA-EO14024].

TALASSA SHIPPING DMCC, Dubai, United Arab Emirates; Organization Established Date 07 Jul 2022; License DMCC-852505 (United Arab Emirates); Registration Number 193984 (United Arab Emirates); Economic Register Number (CBLS) 11923170 (United Arab Emirates) [RUSSIA-EO14024].

ZEENIT SUPPLY AND TRADING DMCC (a.k.a. ZEENIT SUPPLY & TRADING DMCC), Dubai, United Arab Emirates; Organization Established Date 15 Jul 2022; License DMCC-853123 (United Arab Emirates); Registration Number 194028 (United Arab Emirates); Economic Register Number (CBLS) 11923207 (United Arab Emirates) [RUSSIA-EO14024].

### **II. VESSEL**

NS LEADER (A8LU7) Crude Oil Tanker Gabon flag; Identification Number IMO 9339301; MMSI 636013272 (vessel) [RUSSIA-EO14024] (Linked To: NS LEADER SHIPPING INCORPORATED).

### **Related Publication**

[US Treasury/2024.02.08/ Russia Designations, Determinations and GL](https://www.treasury.gov/2024.02.08/Russia-Designations-Determinations-and-GL)

The above – mentioned entities and vessel were designated for being involved in a price cap violation scheme in late 2023.

As a result of OFAC’s designation 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.

### **Related Publication**

[US Treasury/press release/Treasury Targets Price Cap Violation Network and Implements G7 Ban on Russian Diamonds](#)

In relation to the above, OFAC issued Russia-related General License 87, "[Authorizing Limited Safety and Environmental Transactions Involving Certain Persons or Vessels Blocked on February 8, 2024.](#)"

**General License 87** authorizes through 12:01 a.m. eastern daylight time, May 8, 2024, all transactions prohibited by Executive Order (E.O.) 14024 that are ordinarily incident and necessary to one of the following activities involving the blocked persons:

- (1) The safe docking and anchoring in port of any vessels in which any person or entity listed in paragraph (b) of the general license has a property interest (“blocked vessels”);
- (2) The preservation of the health or safety of the crew of any of the blocked vessels; or
- (3) Emergency repairs of any of the blocked vessels or environmental mitigation or protection activities relating to any of the blocked vessels.

The authorization of this general license applies to the following blocked persons and any entity in which any of the following persons own, directly or indirectly, individually or in the aggregate, a 50 percent or greater interest:

- (1) Oil Tankers SCF MGMT FZCO; and

(2) NS Leader Shipping Incorporated.

OFAC clarifies that this general license does not authorize: (1) the entry into any new commercial contracts involving the property or interests in property of any blocked persons, (2) the offloading of any cargo onboard any of the blocked vessels, including the offloading of crude oil or petroleum products of Russian Federation origin and (3) any transactions related to the sale of crude oil or petroleum products of Russian Federation origin.

**Related Publication**

[RUSSIA GENERAL LICENSE 87](#)

**B. OFAC SDN List Update: Counter Narcotics Designations; Russia-related Designation Removal**

On the 7<sup>th</sup> February 2024, the OFAC SDN List has been updated with the **Counter Narcotics Designations of the following individual and entity:**

**A. INDIVIDUAL**

MACIAS VILLAMAR, Jose Adolfo (a.k.a. "Fito"), Ecuador; DOB 30 Sep 1979; POB Santa Ana, Manabi, Ecuador; nationality Ecuador; Gender Male (individual) [ILLICIT-DRUGS-EO14059].

**B. ENTITY**

LOS CHONEROS, Ecuador; Target Type Criminal Organization [ILLICIT-DRUGS-EO14059].

The above persons are one of Ecuador's most violent gangs and its leader, who have been sanctioned pursuant to counter narcotics authorities.

As a result of OFAC's action, all property and interests in property of the designated 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. 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. U.S. persons may face civil or criminal penalties for violations of Executive Order 14059.

**Related Publication**

[US Treasury/ 07.02.2024/press release/Treasury Sanctions Ecuador Gang](#)

Furthermore, **the following Russia-related Designation Removal has been effected to OFAC's SDN List:**

SM DISTRIBUTION INC FZCO, Dubai Silicon Oasis, DDP Building A1, Unit 001, Dubai, United Arab Emirates; License 17750 (United Arab Emirates); Economic Register Number (CBLS) 11902588 (United Arab Emirates) [RUSSIA-EO14024].

**Related Publication**

[US Treasury/2024.02.07/Counter Narcotics Designation](#)