

OFAC

Office of Foreign Assets Control

TRANSNATIONAL CRIMINAL ORGANIZATIONS SANCTIONS PROGRAM

This document is explanatory only and does not have the force of law. Please see particularly Executive Order 13581 and the implementing Transnational Criminal Organizations Sanctions Regulations (31 C.F.R. Part 590) for legally binding provisions governing the sanctions. This document does not supplement or modify the Executive Order or regulations.



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SANCTIONS AGAINST TRANSNATIONAL CRIMINAL ORGANIZATIONS

I. INTRODUCTION

The Transnational Criminal Organizations sanctions program implemented by the Office of Foreign Assets Control (OFAC) began in 2011 when the President issued Executive Order 13581 (E.O. 13581), declaring a national emergency to deal with the unusual and extraordinary threat to the national security, foreign policy, and economy of the United States constituted by the growing threat of significant transnational criminal organizations. The President found that the activities of significant transnational criminal organizations had reached such scope and gravity that they threaten the stability of international political and economic systems. The President further found that such organizations were becoming increasingly sophisticated and dangerous to the United States, because they were increasingly entrenched in the operations of foreign governments and the international financial system, thereby weakening democratic institutions, degrading the rule of law, and undermining economic markets.

II. OVERVIEW OF AUTHORITIES

On July 24, 2011, the President issued [E.O. 13581](#) declaring a national emergency to deal with the unusual and extraordinary threat to the national security, foreign policy, and economy of the United States constituted by the growing threat of significant transnational criminal organizations. E.O. 13581 was issued under the authority of, *inter alia*, the [International Emergency Economic Powers Act](#) (50 U.S.C. §§ 1701 *et seq.*) (IEEPA) and the [National Emergencies Act](#) (50 U.S.C. §§ 1601 *et seq.*) (NEA).

On January 12, 2012, OFAC issued an abbreviated set of regulations to implement E.O. 13581. See [31 C.F.R. Part 590](#), “Transnational Criminal Organizations Sanctions Regulations” (the “Regulations”) for details. OFAC intends to supplement the Regulations with a more comprehensive set of regulations, which may include additional interpretive and definitional guidance and additional general licenses and statements of licensing policy.

This fact sheet is a broad summary of the sanctions as of the date of publication of this brochure. For an updated list of authorities and sanctions, please refer to the Transnational Criminal Organizations Sanctions page on OFAC’s website at: www.treasury.gov/resource-center/sanctions/Programs/Pages/tco.aspx.

III. PROHIBITED TRANSACTIONS

Current transnational criminal organizations sanctions block the property and interests in property of persons listed in the Annex to E.O. 13581, or that are determined by the Secretary of the Treasury, in consultation with the Attorney General and the Secretary of State:

- To be a foreign person that constitutes a significant transnational criminal organization;
- To have materially assisted, sponsored, or provided financial, material, or technological support for, or goods or services to or in support of, any person whose property and interests in property are blocked pursuant to E.O. 13581; or
- To be owned or controlled by, or to have acted or purported to act for or on behalf of, directly or indirectly, any person whose property and interests in property are blocked pursuant to E.O. 13581.

The names of individuals and entities listed in the Annex to E.O. 13581 or designated pursuant to E.O. 13581, whose property and interests in property are therefore blocked, are published in the *Federal Register* and incorporated into OFAC’s Specially Designated Nationals and Blocked Persons List (SDN List) with the OFAC identifier “[TCO].” The SDN List is available on OFAC’s website at <http://www.treasury.gov/sdn>.

Unless otherwise authorized or exempt, transactions by U.S. persons, or in or involving the United States, are prohibited if they involve transferring, paying, exporting, withdrawing, or otherwise dealing in the property or interests in property of an entity or individual listed on the SDN List. The property and interests in property of an entity that is 50 percent or more owned, whether individually or in the aggregate, directly or indirectly, by one or more persons on the SDN List are also blocked, regardless of whether the entity itself is listed. For details, please see: http://www.treasury.gov/resource-center/sanctions/Documents/licensing_guidance.pdf.

IV. AUTHORIZED TRANSACTIONS

GENERAL LICENSES

OFAC may authorize certain types or categories of activities and transactions which would otherwise be prohibited with respect to transnational criminal organizations by issuing a general license. General licenses may be published in the Regulations or on OFAC's website. For example, the provision of certain legal services to or on behalf of persons whose property and interests in property are blocked pursuant to 31 C.F.R. § 590.201 is authorized, provided that all receipts of payment of professional fees and reimbursement of incurred expenses must be specifically licensed. See [31 C.F.R. § 590.506](#).

For a current list of general licenses relating to the Transnational Criminal Organizations sanctions program, please see 31 C.F.R. Part 590, subpart E, and visit:

<http://www.treasury.gov/resource-center/sanctions/Programs/Pages/tco.aspx>.

SPECIFIC LICENSES

On a case-by-case basis, OFAC considers applications for specific licenses to authorize transactions that are neither exempt nor covered by a general license. Requests for a specific license must be submitted to OFAC's Licensing Division. License requests may be submitted using any of these three methods:

- Online: <http://www.treasury.gov/resource-center/sanctions/Pages/licensing.aspx>
- Fax: (202) 622-1657
- U.S. mail: Assistant Director for Licensing, Office of Foreign Assets Control, U.S. Department of the Treasury, 1500 Pennsylvania Avenue, NW, Washington, DC 20220

V. PENALTIES

Civil monetary penalties of up to the greater of \$250,000 or twice the amount of the underlying transaction may be imposed administratively against any person who violates, attempts to violate, conspires to violate, or causes a violation of E.O. 13581 or the Regulations. Upon conviction, criminal fines of up to \$1,000,000, imprisonment for up to 20 years, or both, may be imposed on any person who willfully commits or attempts to commit, or willfully conspires to commit, or aids or abets in the commission of a violation of E.O. 13581 or the Regulations.

This document is explanatory only and does not have the force of law. Please see particularly E.O. 13581 and the Regulations for the legally binding provisions governing the sanctions. This document does not supplement or modify E.O. 13581 or the Regulations.

The Treasury Department’s Office of Foreign Assets Control administers a number of U.S. economic sanctions and embargoes that target geographic regions and governments. Some programs are comprehensive in nature and block the government and/or include broad-based trade restrictions, while others target specific individuals and entities. (Please see the “[Sanctions Programs and Country Information](#)” page for information on specific programs.) It is important to note that in non-comprehensive programs, there are broad prohibitions on dealings with specific named individuals and entities. The names are incorporated into OFAC’s SDN list that includes over 5,000 names of individuals and entities that are connected with the sanctions targets. Because OFAC’s programs are dynamic and constantly changing, it is very important to check OFAC’s website on a regular basis and sign up for updates to OFAC’s Email Notification System, to ensure that you have complete information regarding current restrictions affecting countries and parties with which you plan to do business. For additional information about these programs or about sanctions involving transnational criminal organizations, please contact:

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