



U.S. Sanctions Update

as of July 2023

Country	Guidance	Practice Pointers
In General	U.S. Persons prohibited from transactions with anyone on the OFAC SDN List without a license, <i>regardless of country</i> . ¹ Includes entities <i>owned</i> in excess of 50-percent by one or more SDNs (33-percent for select Russian nationals). Exports to those on the BIS Entity List prohibited without export license. ²	Identify ownership of parties and screen on a regular basis . Understand export categorizations and screen all international customers.
Russia	Subject to crippling economic sanctions across most major industries. Many consider the controls to effectively operate as a near complete embargo . Threat of potential secondary sanctions on certain activities. Significant restrictions across critical Russian industries , including oil & gas, energy, finance & banking, technology, metals and mining, and more. Subject to price cap on Russia-origin crude . Expanded license requirements on export controls on all items on the CCL.	Stay current on current regulations and carefully screen all parties . Vet all parties thoroughly for ultimate beneficial ownership. Work with counsel to ensure transactions properly structured .
Crimea, LNR/DNR regions	Near complete embargos of Ukrainian regions subject to Russian occupation, prohibiting nearly all transactions without a license.	Consider these areas blacklisted .
China	Escalating tensions leading to continued increase in restrictions. <i>Expect this trend to continue</i> in the foreseeable future. Various restrictions between export controls and sanctions prohibitions . Increasing number of SDNs under various programs, including further designations in Hong Kong . Significant BIS export controls , including restrictions on China's ability to acquire advanced computing capabilities .	Vet all parties thoroughly for ultimate beneficial ownership. Work with counsel to identify export classifications and obtain proper licenses .
Cuba, Syria, & South Sudan	Severely restrictive embargos prohibiting most transactions without a license. Prohibition on direct/indirect financial transactions , for which the ultimate beneficiaries are Restricted Entities and Subentities Associated with Cuba.	Consider these areas effectively blacklisted . Cuba has some limited exceptions .
Iran & North Korea	Near complete embargos , prohibiting nearly all transactions without a license. Secondary sanctions restrict foreign entities from engaging.	Consider these areas blacklisted .
Venezuela	Transactions with Venezuelan government and related entities , including PdVSA and the Central Bank of Venezuela, effectively blocked or extremely limited . General Licenses may authorize <i>limited</i> transactions. Limited U.S. companies authorized to transact with PdVSA under General License 8K (deadline November 19, 2023).	Vet all parties thoroughly for ultimate beneficial ownership. Work with counsel to ensure transactions properly structured .
Other Notes	Other country specific sanctions programs : Balkans, Belarus, Burma, Central African Republic, Darfur, Democratic Republic of the Congo, Ethiopia, Hong Kong, Iraq, Lebanon, Libya, Mali, Nicaragua, Somalia, Sudan, Western Balkans Region, Yemen, & Zimbabwe. Policy for denial on export of defense items : Belarus, Burma, China, Cuba, Iran, North Korea, Syria, & Venezuela. Policy for denial on export of defense items & services with some exceptions : Afghanistan, Central African Republic, Cyprus, Democratic Republic of Congo, Eritrea, Haiti, Iraq, Lebanon, Libya, Somalia, Sudan/South Sudan, Zimbabwe. OFAC sanctions compliance program guidance " <i>A Framework for OFAC Compliance Commitments</i> ." ³	
Recent Updates	Significant Russia and Belarus activity —new SDNs and export restrictions, with related General Licenses. Sweeping restrictions on industrial items by HTS code, with guidance for medical device companies on applying for licenses. Published Tri-Seal Compliance Note: Voluntary Self-Disclosure of Potential Violations that summarizes procedures relating to self-disclosures. Executive Order 14098 issued imposing additional sanctions on Sudan . Published Africa Gold Advisory , issuing warnings regarding African gold trade and malign actors, including Russia's notorious Wagner Group.	

¹ The SDN List is available at: <https://sdnsearch.ofac.treas.gov/>.

² BIS Entity List available at: <https://www.bis.doc.gov/index.php/documents/regulations-docs/2326-supplement-no-4-to-part-744-entity-list-4/file>

³ "*A Framework for OFAC Compliance Commitments*" available at: https://home.treasury.gov/system/files/126/framework_ofac_cc.pdf