

Latest U.S. Sanctions on Russia Target Elites, Steel, Gold, Luxury Firms, and Military Procurement

Terry M. Frederic

June 2, 2022

Today, the United States [imposed new sanctions on Russia](#), targeting Russian oligarch Alexey Mordashov and his companies, other Russian elites, luxury asset management and service companies, and companies involved in procurement for the Russian and Belarusian militaries.

Targeting Russian Elites and Their Companies

The Office of Foreign Assets Control (OFAC), together with the [U.S. State Department](#), designated Russian billionaire Alexey Mordashov and several of his companies as Specially Designated Nationals (SDNs) today, including PJSC Severstal, a major Russian steel producer; Severgroup, a multi-billion-dollar investment company; Nord Gold PLC, a gold mining company; and Algoritm LLC, a Russian technology, media, and advertising company. Mordashov, the designated companies, and any entities owned 50 percent or more by the newly listed SDNs are subject to full U.S. blocking sanctions. Business with—and any dealings in the property or interests in property of—the blocked parties is broadly prohibited absent prior authorization from OFAC. U.S. persons must also report any property or interests in property of the blocked parties in their possession or control to OFAC within 10 business days.

OFAC issued two temporary general licenses to authorize U.S. persons to engage in certain activities necessary to wind down preexisting dealings with [PSJC Severstal](#) and [Nord Gold PLC](#) that expire on August 31, 2022 and July, 11, 2022, respectively.

Other designated elites include Mariya Zakharova, spokesperson for Russia's foreign ministry; Sergei Roldugin, a close associate of Russian President Vladimir Putin; God Nisanov, Russian billionaire and real estate tycoon; and Evgeny Novitsky, a Russian entrepreneur.

Luxury asset management and service companies

OFAC sanctioned a series of [luxury asset management and service companies](#) associated with Vladimir Putin's inner circle, such as Imperial Yachts SARL, [a yacht brokerage](#), its CEO, Evgeniy Borisovich Kochman, and other companies associated with Kochman. The designations also included [various yachts and aircraft](#) used by or affiliated with the Russian elite.

Military procurement networks

Finally, the U.S. Department of Commerce's Bureau of Industry and Security [added 71 Russian and Belarusian parties to its Entity List](#), broadly barring the export, re-export, or transfer of items subject to the Export Administration Regulations (EAR) to the listed parties without a license from BIS, which

is unlikely to be granted pursuant to a policy of denial for most items.

* * * * *

Please [contact](#) our sanctions and export team with any questions regarding these latest developments.