

U.S. Companies Must Wind Down Transactions with Sanctioned Belarusian State-Owned Enterprises By June 3rd

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The Office of Foreign Assets Control ("OFAC") recently tightened sanctions on Belarus by [revoking and replacing](#) General License 2G with General License 2H. [General License 2H](#) now requires U.S. persons to wind down transactions involving the following Belarusian Specially Designated Nationals and their subsidiaries by June 3, 2021:

- Belarusian Oil Trade House
- Belneftekhim
- Belneftekhim USA, Inc.
- Belshina OAO
- Grodno Azot OAO
- Grodno Khimvolokno OAO
- Lakokraska OAO
- Naftan OAO
- Polotsk Steklovolokno OAO

Wind down transactions in excess of \$50,000 must be reported to the U.S. Department of State no later than 30 days after executing the transaction.

Under the previous General License 2G and its predecessors, most business with these companies was authorized by OFAC. Given this change, and the prominence of these state-owned entities in Belarus's economy, U.S. companies that do business in Belarus should carefully review their business relationships to ensure that any dealings involving these nine entities and their subsidiaries are wound down prior to June 3, 2021.