

Press Releases: Sanctions Under Section 231 of the Countering America's Adversaries Through Sanctions Act of 2017 (CAATSA)

Press Statement
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Today, President Donald J. Trump issued a new [Executive Order](#), "Authorizing the Implementation of Certain Sanctions Set Forth in the Countering America's Adversaries Through Sanctions Act." This action furthers the implementation of certain sanctions in Countering America's Adversaries Through Sanctions Act (CAATSA) with respect to the Russian Federation. Consistent with this Executive Order, the Secretary of State is taking two actions today to implement his delegated authorities pursuant to section 231 of CAATSA and to further impose costs on the Russian Government in response to its malign activities.

First, the Secretary of State is adding 33 additional persons – both entities and individuals – to the CAATSA section 231 List of Specified Persons (LSP) for being a part of, or operating for or on behalf of, the defense or intelligence sectors of the Government of the Russian Federation. Any person who is determined to have knowingly engaged in a significant transaction with any of these persons will be subject to mandatory sanctions under CAATSA section 231. This action increases the number of persons identified on the LSP to 72.

Second, the Secretary of State, in consultation with the Secretary of the Treasury, has imposed sanctions pursuant to section 231 of CAATSA on the Chinese entity Equipment Development Department (EDD) and its director, Li Shangfu, for engaging in significant transactions with Rosoboronexport, Russia's main arms export entity, which is on the LSP. These significant transactions involved Russia's delivery to China of Su-35 combat aircraft in 2017 and S-400 surface-to-air missile system-related equipment in 2018. The

sanctions being imposed on EDD are a denial of export licenses; a prohibition on foreign exchange transactions under United States jurisdiction; a prohibition on transactions with the United States financial system; blocking of all property and interests in property within United States jurisdiction; and the imposition of sanctions on an EDD principal executive officer, its director Li Shangfu, which include a prohibition on foreign exchange transactions under United States jurisdiction, a prohibition on transactions with the United States financial system, blocking of all property and interests in property within United States jurisdiction, and a visa ban.

These Department of State sanctions actions are the result of United States' implementation of Title II of CAATSA, which Congress passed in response to Russia's aggression in Ukraine, annexation of Crimea, cyber intrusions and attacks, interference in the 2016 elections, and other malign activities. We will continue to vigorously implement CAATSA and urge all countries to curtail relationships with Russia's defense and intelligence sectors, both of which are linked to malign activities worldwide.

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