

# Press Releases: Senior Administration Officials Previewing Global Magnitsky Designations

Special Briefing  
Senior Administration Officials  
Via Teleconference  
July 5, 2018

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**MODERATOR:** Good afternoon, everyone, and thank you, and thank you for adjusting your schedules with us. We went to 1:30. We're glad you all could be with us for our call today on background on the upcoming sanction actions under the Global Magnitsky sanctions program.

Joining us today on the call are three experts. First we have [Senior Administration Official One]. She will be Senior Administration Official Number One. Next we have our [Senior Administration Official Two]. He will be Senior Administration Official Number Two. And then we also have [Senior Administration Official Three], and we will refer to him as Senior Administration Official Number Three.

As a reminder, this call is on background, and the contents of the call will be embargoed until 2 p.m. And so please, I just want to note that change from earlier; the embargo time is 2 p.m.

So with that, I will now turn it over to [Senior Administration Official One].

**SENIOR ADMINISTRATION OFFICIAL ONE:** Thank you very much. So today's actions are in connection with the horrific activities that we're seeing in Nicaragua. The United States is deeply concerned about the ongoing crisis in Nicaragua, and the violence perpetrated by security forces against demonstrators. The Nicaraguan Government's violent response has included beatings of journalists, attacks against local TV and radio stations, and assault on mothers mourning the death of their children.

And so at the Treasury Department, in coordination with our State Department colleagues, we are taking immediate action to address the serious abuses of human rights and corruption in Nicaragua under our Global Magnitsky authorities. Specifically, today Treasury's Office of Foreign Assets Control, or OFAC, is designating three individuals – two for their involvement in serious human rights abuse or being the leader of an organization involved in serious human rights abuses, and one for corruption. Specifically, we are

designating Francisco Javier Diaz Madriz, who's the commissioner of Nicaragua's National Police, or NNP, and has been referred to as the de facto head director of day-to-day business of the NNP. Under Diaz's command, the NNP has engaged in serious human rights abuse against the people of Nicaragua, including extrajudicial killings.

As an example, in June, masked gunmen, accompanied by individuals identified by witnesses as Nicaraguan police, reportedly set fire to a family home in Managua, killing six, including two young children. When neighbors attempted to help, the police allegedly shot at them, preventing the would-be rescuers from reaching the family. The Nicaraguan police have also approached gang leaders in Nicaragua for support in attacking anti-government protesters and have been accused of indiscriminately firing on and killing peaceful protesters.

We are also designating Fidel Antonio Moreno Briones, who serves as the main link between municipal governments and the Sandinista National Liberation Front, or FSLN, and has also acted as a leader of the Sandinista Youth, their youth organization. The Sandinista Youth has been implicated in numerous serious human rights abuses related to the ongoing protests against the Nicaraguan Government, including the beating of protesters in April 2018, and alleged participation in that June attack that killed the family of six in Managua. Moreno has been personally implicated in ordering attacks on protesters as far back as 2013, when elderly and young people who were peacefully protesting reduced retirement pensions were violently dislodged from their encampment by members of the Sandinista Youth. Moreno has also been accused of stealing large sums of money from Managua municipal projects and using municipal funds to pay for FSLN's party activities.

Finally, but very importantly, we are designating Jose Francisco Lopez Centeno. He is the vice president of Albanisa, the company that imports and sells Venezuelan petroleum products. He's also the president of the Nicaraguan state-owned oil company, Petronic. Lopez has used his position to benefit himself and his family, including using companies they own to win government contracts. As described in our press release, Lopez has had access to large amounts of funds collected by the government in the form of taxes and fines that he could exploit, including for the personal use of Nicaraguan leaders. When involved in infrastructure projects, Lopez would siphon funds by negotiating personal fees, has placed numerous individuals throughout the government who have helped him steal millions of dollars on an annual basis, and has used his position to his and his family's benefit by using companies they own to win government contracts.

With this action, the United States is targeting the horrendous human rights abuses and corruption perpetrated by the government of Nicaraguan President Daniel Ortega. President Ortega and his inner circle continue to curtail freedoms and enrich themselves while ignoring the Nicaraguan people's calls for the democratic reforms they demand, including free, fair, and transparent elections. This situation is simply unacceptable.

As a result of today's actions, all property and interest in property of those designated by OFAC within U.S. jurisdiction are blocked. Additionally,

U.S. persons are generally prohibited from engaging in transactions with blocked persons, including entities 50 percent or more owned by them.

At the Treasury Department, we are continuing to monitor the situation in Nicaragua and we will work to isolate from the U.S. financial system those that engage in serious human rights abuses and corrupt activity. Today's actions in Nicaragua are part of our ongoing effort to curtail human rights abuse and corruption across the globe through the strategic use of our sanctions authorities.

Since the start of this administration, Treasury has designated more than 475 individuals and entities related to human rights abuse and/or corruption, including through the Global Magnitsky program as well as a number of other programs.

With that, I will turn it over to the State Department.

**MODERATOR:** Thank you very much. And now we'll go to Senior Administration Official Number Two, [Senior Administration Official Two].

**SENIOR ADMINISTRATION OFFICIAL TWO:** Great, thank you very much, and thank you all for being on the call today and for [Senior Administration Official One]'s opening remarks. The Global Magnitsky sanctions program represents the best of the United States values by taking impactful steps to protect and promote human rights and combat corruption around the world.

As the President laid out in his National Security Strategy, liberty, free enterprise, equal justice under the law, and the dignity of every human life are values that represent who we are as a people. Further, the National Security Strategy stated that we support with our words and our actions those who live under oppressive regimes and seek freedom, individual dignity, and rule of law. This sanctions program is one of the ways that the Trump administration is taking action to execute the President's vision as described in this strategy.

Very importantly, the Global Magnitsky program's purpose is to disrupt and deter human rights abuse and corruption, promote accountability, and protect and promote and enforce longstanding international norms. We as an interagency in the U.S. Government have taken an expansive view of the implementation of the Global Magnitsky Human Rights Accountability Act. We engage every diplomatic post and bureau here at the State Department. We work very closely with U.S. intelligence and law enforcement communities, very closely with the Department of the Treasury, and also with NGOs and with Congress. In addition, an important step for this program is to build an international group of partners who together can take action against the world's worst human rights abusers and corrupt action – actors. Our objective is to leverage this global tool to pursue tangible and significant consequences for the entire spectrum of those who commit human rights abuse and engage in public corruption.

We intend to closely follow the reactions of other governments, the private sector, and the public as we conduct outreach to reinforce that there are

consequences of doing business with human rights abusers and with corrupt actors. Thank you.

**MODERATOR:** Okay, thank you very much. And now we'll go to our Senior Administration Official Number Three. This is [Senior Administration Official Three].

**SENIOR ADMINISTRATION OFFICIAL THREE:** Thank you. Good afternoon. Today's sanctions announcement, together with earlier and ongoing visa revocations, shows the United States will not stand by idly in the face of the abuses taking place in Nicaragua. Rather, we will expose and hold accountable those responsible for the Nicaraguan Government's ongoing violence and intimidation campaign against its people.

As we have said before, we condemn the ongoing violence and intimidation campaign. Attacks and threats against peaceful protestors and the general population are unacceptable and must cease. The United States will continue to take steps within our legal authority to hold the Nicaraguan Government and its representatives accountable for human rights abuses and corruption occurring in Nicaragua.

I also want to mention we continue to support the Catholic Church-led efforts to advance negotiations to resolve the crisis. As part of that support, we urge full implementation of the June 15th National Dialogue agreement on human rights as a critical component of these negotiations. Finally, we support calls for early, free, fair, and transparent elections. Nicaragua must find a peaceful and democratic way forward from this crisis.

**MODERATOR:** All right. Thank you very much, and we'll now go to your questions.

**OPERATOR:** And as a reminder, ladies and gentlemen, if you do have a question, please press \* then 1 on your touchtone phone. You will hear a tone indicating you have been placed in queue, and you may remove yourself from queue by pressing the pound key. Also, as a reminder, we would like you to pick up your handset before pressing any buttons. Again, for questions press \* then 1. One moment, please, for your first question.

Our first question will come from the line of Susannah George with the Associated Press. Please, go ahead.

**QUESTION:** Hi, there. Thank you all so much for doing this call. My question is: How do you expect these sanctions specifically to alter the course of the current crisis that we're seeing unfolding in Nicaragua? Thanks.

**SENIOR ADMINISTRATION OFFICIAL THREE:** Well, specifically we think it's, number one, important to send a message to high-ranking government officials that they're going to be held accountable for their actions, particularly if their actions include abuses of human rights and corruption.

Secondly, we think that if they make the right decision they will see this as part of our support for the Nicaraguan-led and church-led dialogue process. We expect that they will enter that process in good faith and eventually work

towards a peaceful resolution to the unfolding crisis there.

**SENIOR ADMINISTRATION OFFICIAL ONE:** I would just – thank you. I would just add that, look, all of these designations under our Global Magnitsky program, wherever – and we’ve already deployed them in a number of different countries – send a very important and powerful message to those who are engaged in serious human rights abuses and corruption that the United States is on the lookout, we are on the watch, that there are consequences for this continued behavior, and we expect that there will be changes as a result. And as I said at the beginning, we’re continuing to monitor very closely the situation in Nicaragua, and those who are engaged in behavior that is counter to our authorities and our values need to be on alert.

**MODERATOR:** Thank you. We’ll go to the next question.

**OPERATOR:** And that will be from the line of Tracy Wilkinson with the *Los Angeles Times*. Go ahead, please.

**QUESTION:** Hi. Yes, thank you. I came in late to the call so forgive me, but the other day you guys – didn’t you strip visas from some of the Nicaraguan officials? So my question is how far beyond that these measures go. Thank you.

**SENIOR ADMINISTRATION OFFICIAL ONE:** So these are OFAC sanctions against three individuals. And I don’t know how much of the call that you missed, but you should be getting a press release soon –

**QUESTION:** Yes, mm-hmm.

**SENIOR ADMINISTRATION OFFICIAL ONE:** – that will lay out for you the individuals who we’ve designated. And these OFAC sanctions result in all property of interest and property of those designated by OFAC within jurisdiction – U.S. jurisdiction to be blocked, and U.S. persons are generally prohibited from engaging in transactions with blocked persons, including entities 50 percent or more owned by them.

That’s just a brief summary of what our sanctions authorities mean. Of course, we also work with governments all over the world to take similar actions, and financial institutions and companies worldwide also follow our designations very, very closely and act accordingly.

**QUESTION:** Yeah, I understand that. So it’d be fair to say that the stripping of visas was sort of an initial step and this then carries along from that and goes further, yes?

**SENIOR ADMINISTRATION OFFICIAL TWO:** They were actually two separate actions. The first actions we did on June 7th are the visa restrictions on those Nicaraguan persons that were responsible for some of these human rights abuses and undermining the democracy in Nicaragua. And then this is a separate action that only reinforces the message that we are sending across the board as the U.S. Government.

**QUESTION:** Okay. Thank you.

**MODERATOR:** Okay. Thank you. We'll take the next question, please.

**OPERATOR:** That will come from the line of Conor Finnegan. Please, go ahead. From ABC News.

**QUESTION:** Hey, thanks very much. Three quick questions, if I could. First, can you give us any idea of the impact of these sanctions, how many assets these individuals have in the U.S.?

And second, you mentioned those negotiations. Is there any role for the United States to play in those? Have you been in contact at all with the Nicaraguan Government?

And then lastly, since we're talking Global Magnitsky, is there any update on Myanmar and why more officials haven't been sanctioned yet?

**SENIOR ADMINISTRATION OFFICIAL ONE:** So in terms of assets in the United States, it's something that we just – we don't – as a general matter, we can't and don't comment on. And we also don't – as a general matter, we also don't forecast what actions we may take on this program or other programs until we actually take those actions.

But make no mistake about it, we've – this is – the use of our Global Magnitsky program, it's a very active program for us. We just issued a number of other designations in connection with the DRC, with the DR, and Cambodia about two or three weeks ago, in addition to the numerous other designations that we've had in this program since December, and generally, the hundreds of designations that we've had related to human rights abuses and/or corruption since the beginning of this administration.

And I'll turn it over to [Senior Administration Official Three] for the other question.

**MODERATOR:** [Senior Administration Official Three].

**SENIOR ADMINISTRATION OFFICIAL THREE:** Well, I think it's a good question. I think it's important to put this in context. Ultimately, this is a Nicaraguan-led and a church-led process that we are hoping to support. We have been in contact, we have an ambassador on the ground who's in contact with both sides on a regular basis.

I'll remind you that Acting Assistant Secretary Francisco Palmieri met with the Nicaraguan Foreign Minister Denis Moncada on June 21st. He raised U.S. concerns and the government – concerns that the government cease the levels of violence and work with the church-led dialogue toward a peaceful resolution of the crisis.

I will also add that U.S. OAS Ambassador Trujillo went down to Nicaragua as well to press our concern and ask both sides to find a peaceful way out of the unfolding crisis. So our role is one of support, but it's a – it's an aggressive forward-leaning role.

**MODERATOR:** Thank you very much. We'll take the next question.

**OPERATOR:** At this time we have no further questions in queue.

**MODERATOR:** All right. If there are no further questions, we will conclude the call. The contents of the call, as a reminder, are embargoed until 2:00 p.m. today. This call has been on-background with Senior Administration Official One, Two, and Three. We'll have a transcript of the call later available via state.gov. Thank you all for joining us.

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