

August 11, 2011

Treasury Sanctions Four Entities of Major State-Owned Belarusian Petrochemicals Conglomerate

The U.S. Department of the Treasury's Office of Foreign Assets Control (OFAC) today designated four Belarusian enterprises pursuant to Executive Order (E.O.) 13405 for being owned or controlled by Belneftekhim Concern, Belarus' largest petrochemical conglomerate. Belneftekhim Concern was designated by OFAC in November 2007 pursuant to E.O. 13405 for being owned or controlled by Belarusian President Alexander Lukashenko.

E.O. 13405 targets individuals or entities that are responsible for undermining, or have participated in actions that undermine, democratic processes or institutions in Belarus; that are responsible for, or have participated in, human rights abuses related to political oppression in Belarus; or that are senior officials, and others who are responsible for or have engaged in public corruption related to Belarus.

The Belarusian enterprises designated today are Naftan OAO, Grodno Azot OAO, Grodno Khimvolokno JSC and Belshina OAO. Naftan is a subsidiary of Belneftekhim Concern that supplies petroleum products to Belarus in addition to producing and refining diesel fuel. Also a subsidiary of Belneftekhim Concern, Grodno Azot is a major manufacturer of fertilizers and consumer goods. Grodno Khimvolokno manufactures nylon and polyester yarns and fibers, and Belshina is one of Europe's largest tire manufacturers.

As a result of today's action, U.S. persons are prohibited from engaging in commercial or financial transactions with these entities and any assets they may have under U.S. jurisdiction are frozen.

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