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CAATSA Section 231(d) List regarding the Defense Sector
of the Government of the Russian Federation

Admiralty Shipyard JSC

Almaz-Antey Air and Space Defense Corporation JSC

Dolgoprudny Research Production JSC

Federal Research and Production Center Titan Barrikady JSC (Titan Design Bureau)

Izhevsk Mechanical Plant (Baikal)

Izhmash Concern JSC

Kalashnikov Concern JSC

Kalinin Machine Building Plant JSC (KMZ)

KBP Instrument Design Bureau

MIC NPO Mashinostroyenia

Molot Oruzhie

Mytishchinski Mashinostroitelny Zavod

Novator Experimental Design Bureau

NPO High Precision Systems JSC

NPO Splav JSC

Oboronprom OJSC

Radio-Electronic Technologies (KRET)

Radiotechnical and Information Systems (RTI) Concern

Research and Production Corporation Uralvagonzavod JSC

Rosoboronexport OJSC (ROE)

Rostec (Russian Technologies State Corporation)

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Russian Aircraft Corporation MiG

Russian Helicopters JSC

Sozvezdie Concern JSC

State Research and Production Enterprise Bazalt JSC

Sukhoi Aviation JSC

Tactical Missiles Corporation JSC

Tikhomirov Scientific Research Institute JSC

Tupolev JSC

United Aircraft Corporation

United Engine Corporation

United Instrument Manufacturing Corporation

United Shipbuilding Corporation

CAATSA Section 231(d) List regarding the Intelligence Sector
of the Government of the Russian Federation

Autonomous Noncommercial Professional Organization/Professional Association of Designers
of Data Processing (ANO PO KSI)

Federal Security Service (FSB)

Foreign Intelligence Service (SVR)

Main Intelligence Directorate of the General Staff of the Russian Armed Forces (GRU)

Special Technology Center

Zorsecurity

**Public Guidance on Sanctions with Respect to
Russia’s Defense and Intelligence Sectors Under Section 231 of the Countering America’s
Adversaries Through Sanctions Act of 2017**

Summary

- The following guidance pertains to the Countering America’s Adversaries Through Sanctions Act of 2017 (“CAATSA” or “the Act”) (Pub. L. 115-44), which was adopted by the U.S. Congress July 28, 2017 and signed by President Trump August 2, 2017. The Administration will fully implement the Act consistent with the overall national security and foreign policy interests of the United States, as well as our specific policies regarding Russia and its external activities.
- On September 29, 2017, President Trump delegated the authority to implement Section 231 to the Secretary of State, in consultation with the Secretary of the Treasury. Section 231 requires the imposition of certain sanctions on persons determined to have knowingly engaged in a significant transaction, on or after the date the Act was enacted, with a person that is part of or operating for or on behalf of the defense or intelligence sectors of the Government of the Russian Federation.
- Pursuant to Section 231(d), the Department of State is today issuing guidance to specify persons that are part of, or operating for or on behalf of, the defense or intelligence sectors of the Government of the Russian Federation (“Section 231 Guidance” or “the Guidance”).
- The Guidance names certain persons, but it is not a determination regarding imposition of sanctions. No asset freezes are being imposed on these named persons as a result of their inclusion in this Guidance, and inclusion in this Guidance does not, of itself, mean such persons are added to the Department of the Treasury’s List of Specially Designated Nationals List and Blocked Persons or Sectoral Sanctions Identification List.
- The Act requires the imposition of five or more sanctions of the twelve listed in Section 235 of the Act beginning on or after January 29, 2018, with respect to persons determined to have engaged in conduct covered by this Section since enactment of the Act August 2, 2017. Such determinations will be made in a separate notice.

Questions and Answers

Q: How did you arrive at the Section 231 Guidance?

A: The Guidance is to specify, for the purposes of implementing Section 231, the persons – which can be individuals or entities – that are part of, or operating for or on behalf of, the defense or intelligence sectors of the Government of the Russian Federation. This Guidance was developed, and may in the future be amended or updated as circumstances warrant, based on a robust interagency process.

Q: Is the United States imposing sanctions on these persons by specifying them in this Guidance?

A: No. Specification in this Guidance only indicates that an individual or entity has been identified as part of, or operating for or on behalf of, the defense or intelligence sectors of the Government of the Russian Federation, for purposes of implementing Section 231(d). Some of the individuals or entities named, however, may also be currently subject to U.S. sanctions imposed under other authorities.

Q: Are all transactions with specified persons sanctionable?

A: No. The Act states that sanctions shall be imposed beginning on or after 180 days after enactment on persons that are determined to knowingly engage in a significant transaction with a person specified in the Guidance on or after the date of enactment of the Act.

Q: What is a “significant transaction?”

A: In determining whether a transaction is “significant” for purposes of section 231 of the Act, the Department of State will consider the totality of the facts and circumstances surrounding the transaction and weigh various factors on a case-by-case basis. The factors considered in the determination may include, but are not limited to, the significance of the transaction to U.S. national security and foreign policy interests, in particular whether it has a significant adverse impact on such interests; the nature and magnitude of the transaction; and the relation and significance of the transaction to the defense or intelligence sector of the Russian government.

In this initial implementation stage, our focus is expected to be on significant transactions of a defense or intelligence nature with persons named in the Guidance. If a transaction for goods or services has purely civilian end-uses and/or civilian end-users, and does not involve entities in the intelligence sector, these factors will generally weigh heavily against a determination that such a transaction is significant for purposes of Section 231.

If a transaction is necessary to comply with rules and regulations administered by the Federal Security Service, or law enforcement or administrative actions or investigations involving the Federal Security Service, including rules and regulations administered by the Federal Security Service for the importation, distribution, or use of information technology products in the Russian Federation and the payment of any fees to the Federal Security Service for such licenses, permits, certification, or notifications, then these factors will weigh heavily against a determination that that such transaction is significant for purposes of this section.

Q: Are companies prohibited from conducting transactions with persons named in this Guidance?

A: The Act provides for certain sanctions, including on U.S. persons, in the event of a significant transaction. The Act does not provide for sanctions in cases in which transactions are not “significant.” Where possible, the United States intends to work with persons considering

transactions with persons named in this Guidance to help them identify and avoid engaging in potentially sanctionable activity.

Q: Are you required to sanction allied or partner states that purchase Russian-origin military equipment, spare parts, and related supplies?

A: In implementing Section 231, the Department of State is mindful of the importance of unity and coordination with our allies and partners on these issues. The Act itself acknowledges the importance of these relationships, and these purposes, when providing in Section 212 that we “should continue to uphold and seek unity with European and other key partners on sanctions implemented against the Russian Federation, which have been effective and instrumental in countering Russian aggression in Ukraine.” Where possible, the United States intends to work with our allies and partners to help them identify and avoid engaging in potentially sanctionable activity while strengthening military capabilities used for cooperative defense efforts.

Q: What types of sanctions does the Act authorize?

Section 231 of the Act states that five or more of the sanctions described in Section 235 shall be imposed on persons determined to engage in a significant transaction with a person that is part of, or operates for or on behalf of, the defense or intelligence sectors of the Government of the Russian Federation. The sanctions described in Section 235 include, among others, prohibitions concerning property transactions, export license restrictions, Export-Import Bank assistance restrictions, debt and equity restrictions, visa ramifications for corporate officers, and United States government procurement prohibitions. The Act allows for sanctions on persons that engage in covered transactions as well as on the principal executive officer or officers of the sanctioned person (or a person performing similar functions and with similar authorities as such officer or officers).