Sanctions in a Snap: Developments in Sanctions

US Edition

Sanctions Update

Hughes Hubbard's "Sanctions in a Snap" is intended to provide a clear and concise summary of recent developments from the Office of Foreign Assets Control (OFAC). We hope you find it helpful in assessing U.S. economic sanctions compliance risk against current U.S. government designation and enforcement priorities.

Highlights from October 2025 include the first Russia-related sanctions imposed by the second Trump administration; designations of the current Colombian president, first lady and minister of the interior; and U.S.-U.K. coordinated actions against an alleged international online scam network.

In total, OFAC added 340 individuals and entities to its SDN List and identified 33 vessels as blocked property. The October designations primarily focus on China, Cambodia, Russia and Mexico. The graph at the end of this update provides a visual representation of the current targeting priorities reflected in the October designations.

Rosneft and Lukoil

On Oct. 22, OFAC **announced** the imposition of blocking sanctions against Rosneft and Lukoil, Russia's two largest oil companies. Those oil majors are responsible for half of Russia's production and were subject to certain less-than-blocking sanctions following Russia's purported annexation of Crimea in 2014. OFAC concurrently added 34 domestic Russia-based Rosneft and Lukoil subsidiaries to the SDN List.

The press release announcing the actions explains that OFAC imposed those sanctions "as a result of Russia's lack of serious commitment to a peace process to end the war in Ukraine."

Please see our comments on this action published by the Associated Press, Bloomberg, Financial Times, Global Investigations Review and Reuters, available **here**.

The Colombian President, His Wife and Son, and the Minister of the Interior

On Oct. 24, OFAC **announced** the designations of the president of Colombia, the first lady and the minister of the interior, as well as the president's eldest son, pursuant to the agency's counternarcotics authority. This action follows a Sept. 15 **Presidential Determination** alleging "Colombia ... failed demonstrably to meet its drug control obligations," because "coca cultivation and cocaine production have reached record highs while Colombia's government failed to meet even its own vastly reduced coca eradication goals[.]"

Based on the allegations contained in the press release, it appears that the designees have colorable claims against OFAC should they pursue judicial review of the designations. Notably, the primary counternarcotics designation criteria is limited to certain "activities or transactions," and unlike many other authorities, the relevant executive order does not authorize derivative designations based solely on familial status. We therefore anticipate that OFAC will redesignate these individuals to strengthen the legal basis for the actions prior to judicial review of the same if the designees seek administrative reconsideration.

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Prince Holding Group: Designations, Indictment and Largest-Ever Forfeiture Action

On Oct. 14, OFAC **announced** 146 designations involving the Prince Holding Group, a multinational conglomerate accused of engaging in "industrial scale cyberfraud operations." The U.S. Department of Justice concurrently announced criminal charges against the founder and chairman of the Prince Group and a civil forfeiture complaint against certain bitcoin alleged to be the proceeds and instrumentalities of the defendant's alleged crimes, worth the equivalent of approximately $15 billion.

The OFAC announcement states that the designations were coordinated with the U.K.'s Foreign, Commonwealth & Development Office.

Please see our comments on this action and the current state of U.S.-U.K. sanctions coordination published by MLex, available **here**.

Additional Sanctions Actions in October

In addition to the OFAC designation actions summarized above, the U.S. government announced the following in October:

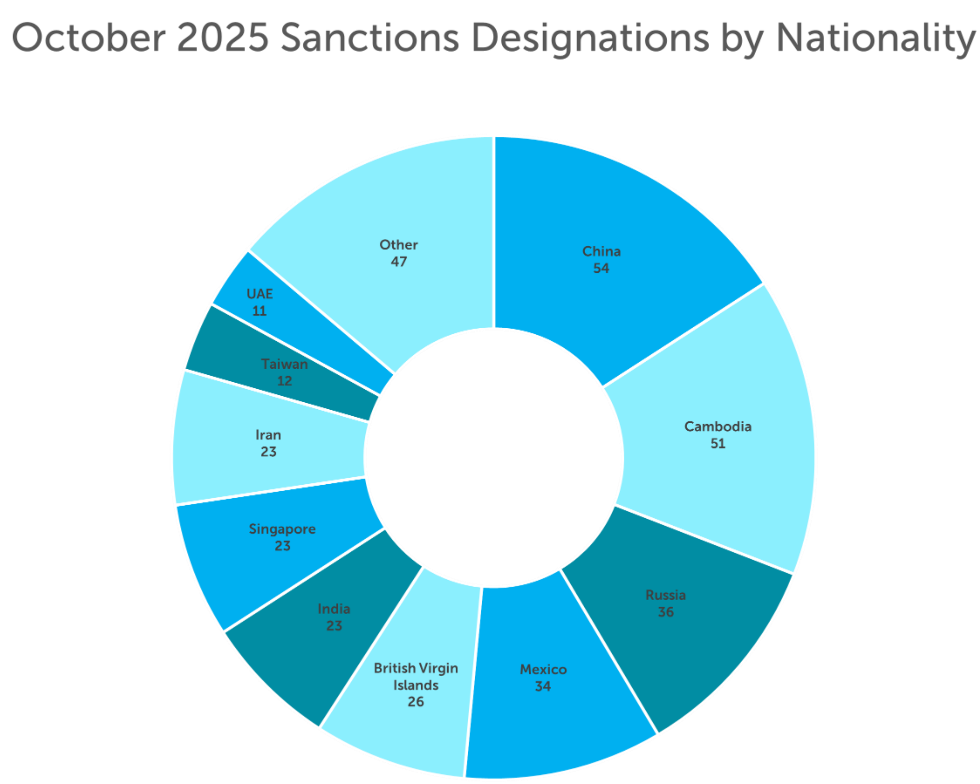
- Designations (additions to the Specially Designated Nationals and Consolidated Sanctions lists):
  - Oct. 1 – 21 entities and 17 individuals mainly based in Iran and China for allegedly facilitating the acquisition of sensitive goods and technology for Iran's Ministry of Defense and Armed Forces Logistics
  - Oct. 6 – A Mexican network of eight individuals and 12 companies for allegedly supplying fentanyl precursor chemicals to the Sinaloa Cartel
  - Oct. 9 – An Iraq-based network, including bank owners and executives, for allegedly evading U.S. sanctions, smuggling weapons and engaging in widespread corruption in Iraq on behalf of Iran
  - Oct. 9 – Predominantly Indian and Chinese nationals and companies, including a Chinese oil terminal and refinery, for allegedly conducting or facilitating Iranian oil and liquefied petroleum gas sales and shipments
  - Oct. 9 – Nationals and companies in China, Turkey, the UAE and India for their alleged dealings involving Iranian petroleum and petrochemical products
  - Oct. 17 – Two Haitian nationals allegedly affiliated with the sanctioned Haitian gang coalition Viv Ansanm
  - Oct. 30 – A network of 20 Mexican, Indian and Emirati nationals and companies allegedly connected to the Bhardwaj Human Smuggling Organization, which is accused of facilitating and profiting from the smuggling of thousands of individuals into the United States

- Sanctions List Removals
  - Oct. 6 – OFAC removed sanctions imposed against six individuals and entities previously designated under the Global Magnitsky Sanctions Program.
    - Those delisted include two companies formed under the laws of the United States and four nationals of and companies formed under the laws of Paraguay.
    - Notably, OFAC delisted Horacio Manuel Cartes Jara, the former president of Paraguay, **designated** in 2023 for alleged "involvement in the rampant corruption that undermines democratic institutions in Paraguay."
  - Oct. 9 – OFAC removed sanctions imposed against a Turkish company previously designated under the Russian Harmful Foreign Activities Sanctions program.
  - Oct. 17 – OFAC removed sanctions imposed against four nationals of Bosnia and Herzegovina previously designated under the Western Balkans program.
  - Oct. 29 – OFAC removed sanctions imposed against a total of 48 individuals and entities previously designated under the Western Balkans program.
    - Those delisted include 44 nationals of and companies formed under the laws of Bosnia and Herzegovina, two nationals of Serbia, one dual national of both Bosnia and Herzegovina and Serbia, and one national of Montenegro.
    - Notably, OFAC delisted Milorad Dodik, a prominent Bosnian Serb separatist politician and supporter of Russia.

- General Licenses
    - TCO General License 1 (Oct. 14), "Authorizing the Wind Down of Transactions Involving Certain Persons Blocked on October 14, 2025"
    - Russia-Related General License 124A (Oct. 22), "Authorizing Petroleum Services and Other Transactions Related to the Caspian Pipeline Consortium and Tengizchevroil Projects"
    - Russia-Related General License 126 (Oct. 22), "Authorizing the Wind Down of Transactions Involving Rosneft or Lukoil"
    - Russia-Related General License 127 (Oct. 22), "Authorizing Certain Transactions Related to Debt or Equity of, or Derivative Contracts Involving, Rosneft or Lukoil"
    - Russia-Related General License 128 (Oct. 22), "Authorizing Certain Transactions Involving Lukoil Retail Service Stations Located Outside of Russia"
    - Russia-Related General License 129 (Oct. 29), "Authorizing Transactions Involving Rosneft Deutschland GmbH and RN Refining & Marketing GmbH"

- Regulations and Guidance
    - Frequently asked questions
        - Russian Harmful Foreign Activities Sanctions FAQ 1216 was updated on Oct. 29 to amend the agency's explanation of the sanctions on the provision of petroleum services to Russia following the blocking sanctions on Rosneft and Lukoil.

US Targeting Priorities



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