

ALERT

The National Emergency Related to Transnational Criminal Organizations Extended Another Year

July 24, 2015

On July 21, 2015, President Obama announced a one year extension of the national emergency declared in Executive Order 13581 (July 24, 2011), with respect to transnational criminal organizations (TCOs) as a means to address the “unusual and extraordinary threat to the national security, foreign policy, and economy of the United States constituted by the activities of significant transnational criminal organizations.” This extension will enable the Treasury Department’s Office of Foreign Assets Control to continue: (1) blocking all property and interests in property within the jurisdiction of the United States of the organizations designated as TCOs; and (2) prohibiting U.S. persons from engaging in transactions with these organizations. Moreover, to promote federal agency cooperation in dealing with TCOs, the Treasury Department, in consultation with the Departments of Justice and State, will be able to continue imposing sanctions on any individual or entity identified as having provided support to organizations designated as TCOs. Notably, since Executive Order 13581 was implemented four years ago, a number of entities have been designated as TCOs and subject to U.S. sanctions, including the following:

- The Yamaguchi-gumi Syndicate, Japan’s biggest organized crime syndicate (designated in April 2015);
- The leadership of Mara Salvatrucha, also known as MS-13, an international criminal gang ring with a heavy presence in California (designated on July 2, 2013);
- The Brothers’ Circle, a multi-ethnic criminal group consisting of top leaders from several Eurasian criminal organizations, and

Authors

Tessa Capeloto
Partner
202.719.7586
tcapeloto@wiley.law

Practice Areas

International Trade

heavily based in Russia and the former Soviet Union countries (designated on July 24, 2011);

- The Camorra, the largest organized criminal organization in Italy that is actively engaged in drug trafficking and counterfeiting (designated on July 24, 2011); and
- Los Zetas, a Mexican cartel actively involved in drug trafficking into the United States, as well as extortion, money laundering, intellectual property theft and human smuggling (designated on July 24, 2011).

As a result of this extension, U.S. persons should continue to conduct additional due diligence to ensure they are not transacting with TCOs or dealing in property in which a designated TCO maintains a 50 percent controlling stake.