



DEPARTMENT OF STATE

[Public Notice: 11396]

Notice of Department of State Sanctions Actions

ACTION: Notice.

SUMMARY: The Secretary of State has determined, pursuant to the Countering America's Adversaries Through Sanctions Act of 2017 (CAATSA), that the Turkish entity Presidency of Defense Industries (SSB), formerly known as the Undersecretariat for Defense Industries (SSM), has knowingly, on or after August 2, 2017, engaged 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 Secretary of State has also selected certain sanctions to be imposed upon SSB and Ismail Demir, SSB's president; Faruk Yigit, SSB's vice president; Serhat Gencoglu, SSB's Head of the Department of Air Defense and Space; and Mustafa Alper Deniz, Program Manager for SSB's Regional Air Defense Systems Directorate, pursuant to CAATSA.

DATES: The Secretary of State's determination that SSB has knowingly, on or after August 2, 2017, engaged 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, and the Secretary of State's selection of certain sanctions to be imposed upon SSB and Ismail Demir, Faruk Yigit, Serhat Gencoglu, and Mustafa Alper Deniz are effective on December 14, 2020.

FOR FURTHER INFORMATION CONTACT: Thomas W. Zarzecki, Director, Task Force 231, Bureau of International Security and Nonproliferation, Department of State, Washington, DC 20520, tel.: 202-647-7594, ZarzeckiTW@STATE.GOV.

SUPPLEMENTARY INFORMATION: Pursuant to Section 231(a) of CAATSA and Executive Order 13849 the Secretary of State has selected the following sanctions to be imposed upon SSB:

- United States Government departments and agencies shall not issue any specific license or grant any other specific permission or authority under the Export Control Reform Act of 2018 (50 U.S.C. 4801 et seq.), the Arms Export Control Act (22 U.S.C. 2751 et seq.), the Atomic Energy Act of 1954 (42 U.S.C. 2011 et seq.), or any statute that requires the prior review or approval of the United States Government as a condition for the export or re-export of goods or technology to SSB;
- United States financial institutions shall be prohibited from making loans or providing credits to SSB totaling more than \$10,000,000 in any 12-month period unless SSB is engaged in activities to relieve human suffering and the loans or credits are provided for such activities;
- The Export-Import Bank of the United States shall not give approval to the issuance of any guarantee, insurance, extension of credit, or participation in the extension of credit in connection with the export of any goods or services to SSB;
- The United States executive director to each international financial institution shall use the voice and vote of the United States to oppose any loan from the international financial institution that would benefit SSB; and
- Imposition on the principal executive officer or officers of SSB, or on persons performing similar functions and with similar authorities as such officer or officers, certain sanctions, as selected by the Secretary of State and described below.

The Secretary of State has selected the following sanctions to be imposed upon Ismail Demir, Faruk Yigit, Serhat Gencoglu, and Mustafa Alper Deniz, pursuant to CAATSA Section 235(a)(12):

- A prohibition on any transactions in foreign exchange that are subject to the jurisdiction of the United States and in which Ismail Demir, Faruk Yigit, Serhat Gencoglu, or Mustafa Alper Deniz has any interest;
- A prohibition on any transfers of credit or payments between financial institutions, or by, through, or to any financial institution, to the extent that such transfers or payments are subject to the jurisdiction of the United States and involve any interest of Ismail Demir, Faruk Yigit, Serhat Gencoglu, or Mustafa Alper Deniz;
- All property and interests in property of Ismail Demir, Faruk Yigit, Serhat Gencoglu, or Mustafa Alper Deniz that are in the United States, that hereafter come within the United States, or that are or hereafter come within the possession or control of any United States person are blocked and may not be transferred, paid, exported, withdrawn, or otherwise dealt in; and
- The Secretary of State shall deny a visa to Ismail Demir, Faruk Yigit, Serhat Gencoglu, and Mustafa Alper Deniz, and the Secretary of Homeland Security shall exclude Ismail Demir, Faruk Yigit, Serhat Gencoglu, and Mustafa Alper Deniz from the United States, by treating Ismail Demir, Faruk Yigit, Serhat Gencoglu, and Mustafa Alper Deniz as persons covered by section 1 of Proclamation 8693 of July 24, 2011 (Suspension of Entry of Aliens Subject to United Nations Security Council Travel Bans and International Emergency Economic Powers Act Sanctions).

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Department of State.

[FR Doc. 2021-07048 Filed: 4/5/2021 4:15 pm; Publication Date: 4/7/2021]