

OFAC's Latest General Licenses and FAQs Related to Russian Sanctions

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On December 18, 2024, the U.S. Department of the Treasury's Office of Foreign Assets Control (OFAC) issued [General License \(GL\) 1B](#) (Authorizing Certain Activities Involving Federal State Budgetary Institution Marine Rescue Service) and [GL 115](#) (Authorizing Transactions Involving Gazprombank Related to Civil Nuclear Energy) related to the [Russian Harmful Foreign Activities Sanctions Regulations](#), 31 CFR part 587 (RuHSR). OFAC simultaneously issued one amended Russia-related [Frequently Asked Question \(FAQ\) 894](#) and related [FAQ 1203](#).

Subsequently, on December 27, 2024, OFAC issued [GL 116](#) (Authorizing Transactions Involving Entities Owned by Bidzina Ivanishvili) related to RuHSR and a related [FAQ 1204](#).

GLs

OFAC amended GL 1A to GL 1B, which authorizes transactions with the Russian Federal State Budgetary Institution Marine Rescue Service (MRS) and entities more than 50% owned by MRS that are otherwise prohibited under [Executive Order \(EO\) 14039](#) and [EO 14024](#), or the [Protecting Europe's Energy Security Act](#) (PEESA). These authorizations specifically exclude the construction of the Nord Stream 2, TurkStream, or any successor projects thereof.

GL 1B, issued after MRS was designated as a Specially Designated National (SDN) under EO 14024, specifically excludes any:

1. Transactions involving vessels on OFAC's List of Specially Designated Nationals and Blocked Persons (SDN List) as blocked property of MRS, including vessels identified as blocked property of any entity in which MRS owns, directly or indirectly, a 50% or greater interest;
2. Transactions prohibited by [Directive 2 of EO 14024](#) (Prohibitions Related to Correspondent or Payable-Through Accounts and Processing of Transactions Involving Certain Foreign Financial Institutions) or [Directive 4 of EO 14024](#) (Prohibitions Related to Transactions Involving the Central Bank of the Russian Federation, the National Wealth Fund of the Russian Federation, and the Ministry of Finance of the Russian Federation);
3. Activities prohibited under PEESA, otherwise prohibited by the RuHSR, or other U.S. regulations or executive orders; or

4. Transactions involving any blocked persons not explicitly covered by this GL.

[GL 115](#) authorizes U.S. persons, through June 30, 2025, to engage in transactions involving Gazprombank Joint Stock Company (Gazprombank) and its majority-owned subsidiaries related to civil nuclear energy projects initiated before November 21, 2024. However, the license specifically prohibits any:

1. Transactions related to the Paks II nuclear power plant project or its successors;
2. Transactions prohibited by Directive 2 under EO 14024;
3. Debits to accounts held at U.S. financial institutions for Russia's Central Bank, National Wealth Fund, or Ministry of Finance; or
4. Transactions otherwise prohibited by the RuHSR or involving blocked persons not specifically covered by the license unless separately authorized.

On December 27, 2024, OFAC designated former Georgian Prime Minister Bidzina Ivanishvili (Ivanishvili) as a SDN under EO 14024. [GL 116](#) authorizes transactions with entities blocked solely due to Ivanishvili's ownership interest, provided such entities are not separately listed on OFAC's SDN List. However, GL 116 excludes:

1. Transactions prohibited by Directive 2 under EO 14024;
2. Transactions prohibited by Directive 4 under EO 14024;
3. Transactions related to the Singapore Court of Appeal case *Credit Suisse Trust Ltd v. Ivanishvili, Bidzina and others [2024] SGCA(I) 5* and Civil Appeal No. 10 of 2023, including related proceedings, enforcement of judgments or settlements, and associated payments or asset transfers; and
4. Transactions otherwise prohibited by the RuHSR, including those involving blocked persons not covered by the license, unless separately authorized.

FAQs

[FAQ 894](#) – GL 1B authorizes U.S. persons to engage in certain transactions involving the MRS and its majority-owned entities, provided they are not related to the Nord Stream 2, TurkStream, or successor pipeline projects. However, GL 1B does not permit transactions involving vessels designated as blocked property of MRS or its affiliates on the SDN List.

[FAQ 1203](#) – Permitted activities under GL 115 include uranium production and processing, nuclear fuel and waste management, and the operation of civil nuclear projects. However, GL 115 excludes transactions related to new nuclear power plants after November 21, 2024, and the Paks II nuclear power plant project. Non-U.S. persons are

not generally at risk of U.S. sanctions for similar transactions, so long as a U.S. person would not require a license.

FAQ 1204 – While transactions involving Ivanishvili are prohibited, GL 116 allows U.S. persons to engage in transactions with entities majority-owned by Ivanishvili, provided those entities are not on the SDN List. Non-U.S. persons can also engage in these transactions without sanctions risk. However, U.S. persons remain prohibited from transacting directly with Ivanishvili unless specifically authorized, and GL 116 excludes certain transactions, such as those related to the Singapore Court of Appeal Case and related proceedings.

Conclusion

As the Biden administration concludes and President Trump prepares to take office, the future of U.S. sanctions on Russia remains uncertain. Clients should closely monitor policy changes under the new administration, as a shift in enforcement priorities or additional sanctions relief could significantly impact compliance obligations and business operations.

To remain compliant, companies should review and update their sanctions screening processes, ensuring they account for recent SDN designations and GL conditions and evaluate their risk exposure to Russian entities and individuals, particularly those with complex ownership structures or links to SDNs.

This paper is intended as a guide only and is not a substitute for specific legal or tax advice. Please reach out to the author for any specific questions. We expect to continue to monitor the topics addressed in this paper and provide future client updates when useful.

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