

United States Senate

WASHINGTON, DC 20510

October 6, 2026

The Honorable Marco Rubio
Secretary of State
U.S. Department of State
2201 C Street NW
Washington, DC 20520

The Honorable Scott Bessent
Secretary of Treasury
U.S. Department of Treasury
1500 Pennsylvania Ave NW
Washington, DC 20220

Dear Secretary Rubio and Secretary Bessent:

We welcomed President Trump's signing into law the *Lindsey O. Graham Sanctioning Russia and Iran Act of 2026*, and we write today regarding its implementation. Vladimir Putin continues to escalate his brutal offensive on the battlefield, leveraging new North Korean troop deployments and intensified missile strikes to target Ukraine's civilian population and energy grids. Every day that passes without maximum economic pressure allows Moscow to sustain this military escalation. The majority of the Act's provisions go into effect on October 18th, and it is vital that the Departments of State and the Treasury use these new tools to cut off the revenue streams and dual-use technology pipelines keeping Russia's war machine alive.

The most urgent priority must be to tackle the "shadow fleet" of tankers that Moscow uses to transport oil to bypass America's sanctions. The European Union (EU) and the United Kingdom (UK) have designated over 600 vessels, while the United States has designated only 216 – the majority in early 2025. This gap allows several hundred rogue tankers to transport Russian oil with impunity and thereby provide the Kremlin a financial lifeline. While EU and UK asset freezes and port bans have degraded the shadow fleet's operations, America's designations deliver unique enforcement impact by cutting vessels off from the global dollar ecosystem and Western maritime services. Section 102 of the Act calls on the executive branch to treat EU, UK, and G7 designations as a baseline for immediate U.S. blacklisting. We urge you to work directly with our international partners to close this loop and match their designations one-for-one.

We welcomed the Administration's October 2025 decisive actions against Lukoil and Rosneft. These designations dealt a major blow to Moscow's primary source of sovereign funding. The Kremlin has since adapted by routing transactions through a web of intermediaries – heavily clustered in the United Arab Emirates (UAE) and Hong Kong. We urge the administration to expand the scope of current sanctions to target the front companies and shell operations in Dubai and Hong Kong that keep Lukoil and Rosneft crude flowing to global markets.

It is also imperative that the administration paralyze the global financial networks that allow Russia to evade our sanctions. The Kremlin continues to move billions of dollars through networks that shield it from scrutiny. The Treasury Department should build on and aggressively enforce its designations of A7 financial network leadership and its ecosystem, which serve as an artery for the Kremlin's illicit procurement. We urge the administration to issue direct compliance warnings and prepare designations for VTB Bank's remaining overseas branches, including in Shanghai, China, and a growing network of Kyrgyz financial institutions that serve

as clearinghouses for sanctioned capital. Foreign banks must be forced to make a choice: They can either do business with the United States or finance Russia's war. They cannot do both.

The United States must also stop the flow of dual-use technologies and advanced electronics that Russia relies on to sustain its frontline operations. Third-country suppliers based in China, the UAE and Türkiye continue to serve as primary logistics hubs for these critical components. We need to prioritize cutting off the supply of advanced CNC machine tools, which are essential for Russia's domestic ammunition factories, along with the specialized microelectronic components required to manufacture jet-powered drones. The administration needs to use mandatory secondary sanctions to penalize entities feeding Russia's military-industrial complex.

Furthermore, the administration should proactively undermine Russia's weaponization of space and its push to secure a Low-Earth Orbit (LEO) capability. Building on the October 2024 designation of Rassvet, the Treasury Department should sanction Bureau 1440 LLC, 5C Group LLC, Eltex Enterprise LLC, and their procurement networks across China and Central Asia. Crippling Russia's LEO satellite pipeline is a critical battlefield priority. If deployed at scale, this capability would imperil Ukraine's forces and threaten larger civilian tolls by granting Russian forces resilient command and control and more lethal targeting integration.

Finally, the administration must strictly enforce the comprehensive structural prohibitions established under Title I of the Act, which cuts the Russian economy off from American capital. The *Sanctioning Russia and Iran Act* codifies a ban on all new U.S. investment in Russia, regardless of sector, while prohibiting U.S. persons or institutions from dealing in Russian sovereign debt. These prohibitions are germane to efforts, recently reported publicly, to conclude a multi-billion-dollar deal for Lukoil's international assets. It is imperative that the Treasury Department issue clear regulatory guidance ahead of the October deadline to ensure American financial institutions completely sever these capital pipelines and leave no ambiguity regarding the illegality of financing the Russian state.

The *Sanctioning Russia and Iran Act* passed with an overwhelming bipartisan mandate. The October 18 implementation deadline is a critical opportunity to show both our allies and adversaries that U.S. sanctions are comprehensive, dynamic, and strictly enforced.

We look forward to discussing the administration's strategy for implementing these provisions.

Sincerely,



Jeanne Shaheen
United States Senator



Roger F. Wicker
United States Senator