

HON. ROBERT MONTAGUE
MINISTER OF TRANSPORT AND MINING
STATEMENT TO PARLIAMENT
UPDATE ON GOJ ACTIONS TOWARDS SANCTIONS ON UC
RUSAL BY THE U.S.
Tuesday, June 5, 2018

INTRODUCTION

Mr. Speaker, the matter of the U.S. sanctions on UC Rusal continues to be a major priority for this Government. Allow me to remind this honourable house of the matter at hand.

On April 6, 2018, the U.S. Department of the Treasury's Office of Foreign Assets Control (OFAC) added, amongst others, seven Russian oligarchs and twelve companies they own or control, to its Designated Nationals List (the OFAC Sanctions).

As a result of being named, all assets of seven persons and entities that are within US jurisdiction have been frozen, and US persons are prohibited from dealings with them.

Additionally, non-US persons could face secondary sanctions for knowingly facilitating significant transactions for, or on behalf of the individuals or entities sanctioned.

CURRENT SITUATION

While the U.S. Treasury Department recently announced a delay in the application of the sanctions, it is yet to provide a full brief on the extent to which UC Rusal has complied.

The threat to the WINDALCO Ewarton Operation therefore remains.

PROTECTION OF NATIONAL INTEREST

This Government remains committed to applying our best efforts to protect the interest of the community and the country. We particularly want to protect the workers, the environment and revenue to Jamaica.

We endeavour to save the jobs of approximately 1,200 workers at WINDALCO and the livelihood of a further 10,000 dependents, contractors, residents and business persons in communities neighbouring the alumina plant and related facilities. The securing of the Red Mud Lake is also a major priority.

ACTIONS BEING TAKEN

The following steps are being taken by the Government:

- The Jamaican Government will intensify discussions with the U.S. treasury to secure waiver for Jamaica. The talks are progressing favourably but we offer no guarantees.
- We will employ our best efforts to ensure that critical supplies, which include fuel, power, and other chemicals, are supplied to the Ewarton Plant.
- Best efforts will also be made to engage and ensure the banking sector's support. We have also taken

steps to assure the banking sector of any issue or fears, based on information.

- We are working with Jamaica Bauxite institute (JBI) and the Ministry of Finance and the Public Service, among other stakeholders to be prepared for contingencies.

CONCLUSION

We are well aware of the sensitivity of the matter and I assure you that this Government remains committed to protecting the interest of the Jamaican people.

As we continue to monitor this dynamic situation, we will continue provide updates to the House.

We must remember to remain calm, and keep the lines of communication open.

Mr. Speaker, let me remind all that this crisis is not of our making, but as a government we are rising to the challenge and are working for a sustainable solution.

In the meantime, no one needs to “cry wolf” or seek to take any advantage of this unfortunate situation.