



## Security Council

Distr.: General  
28 August 2020

Original: English

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### Note by the President of the Security Council

In paragraph 2 of its resolution [2515 \(2020\)](#), the Security Council requested the Panel of Experts established pursuant to resolution [1874 \(2009\)](#) to provide a midterm report to the Council with its findings and recommendations.

Accordingly, the President hereby circulates the report received from the Panel of Experts (see annex).



**Annex**

**Letter dated 26 August 2020 from the Panel of Experts established pursuant to resolution 1874 (2009) addressed to the President of the Security Council**

The Panel of Experts established pursuant to Security Council resolution 1874 (2009) has the honour to transmit herewith, in accordance with paragraph 2 of resolution 2515 (2020), the midterm report on its work.

The report was provided to the Security Council Committee established pursuant to resolution 1718 (2006) on 3 August 2020 and was considered by the Committee on 25 August 2020.

The Panel would appreciate it if the present letter and the report were brought to the attention of the members of the Security Council and issued as a document of the Council.

Panel of Experts established pursuant to  
Security Council resolution 1874 (2009)

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**Enclosure****Letter dated 3 August 2020 from the Panel of Experts established pursuant to resolution [1874 \(2009\)](#) addressed to the Chair of the Security Council Committee established pursuant to resolution [1718 \(2006\)](#)**

The Panel of Experts established pursuant to Security Council resolution [1874 \(2009\)](#) has the honour to transmit herewith, in accordance with paragraph 2 of resolution [2515 \(2020\)](#), the midterm report on its work.

The Panel would appreciate it if the present letter and the report were brought to the attention of the members of the Security Council Committee established pursuant to resolution [1718 \(2006\)](#).

Panel of Experts established pursuant to  
Security Council resolution [1874 \(2009\)](#)

## Report of the Panel of Experts established pursuant to resolution 1874 (2009)

### *Summary*

In 2020, the Democratic People's Republic of Korea reaffirmed its commitment to retaining and developing its nuclear and ballistic missile programmes, in violation of Security Council resolutions. No nuclear tests have been announced since September 2017; however, the Democratic People's Republic of Korea has maintained its nuclear facilities and has continued to produce fissile material. It has continued to develop infrastructure and capacity for its ballistic missile programme. It carried out no intercontinental or medium-range missile launches during the reporting period, but in March 2020 it conducted four launch tests of short-range ballistic missile systems tested in 2019, firing at least eight missiles. The Panel of Experts established pursuant to Security Council resolution 1874 (2009) continued to investigate efforts by the Democratic People's Republic of Korea to procure from overseas material and technology for these programmes.

The Democratic People's Republic of Korea announced border closures, restrictions and special quarantine measures in response to coronavirus disease (COVID-19). These measures affected the cross-border transportation of goods and movement of people by air, land and sea. The re-entry into the Democratic People's Republic of Korea of its own nationals and the entry of foreign nationals remains generally prohibited. There are currently no international flights. Maritime shipments, reduced but never fully halted, have resumed. There is limited rail freight and road transportation.

The Democratic People's Republic of Korea has continued to violate Security Council resolutions through the illicit import of refined petroleum products through ship-to-ship transfers and direct deliveries. Foreign-flagged tankers making illicit direct deliveries in the period included many vessels investigated by the Panel in its previous final report, published in March 2020 (S/2020/151). The Panel received a copy of a report from 43 Member States containing imagery, data and calculations covering the period from 1 January to 30 May 2020. The Member States estimated that deliveries of refined petroleum products to the Democratic People's Republic of Korea during that period alone already far exceeded the aggregate amount of 500,000 barrels set by the Security Council as the annual ceiling for 2020. China and the Russian Federation responded that the report was based on assumptions and estimations, and that the information and evidence was insufficient to conclude that the ceiling had been exceeded. The United States of America responded that the evidence was robust in quality and quantity and sufficient. The Democratic People's Republic of Korea and foreign-flagged vessels and their owners continued elaborate evasion practices.

The Democratic People's Republic of Korea continued to flout Security Council resolutions through illicit maritime exports of coal, although it suspended such exports temporarily between late January and early March 2020. Satellite imagery provided by a Member State and information shows that in this period multiple vessels of the Democratic People's Republic of Korea continued to conduct ship-to-ship transfers in waters of another Member State and made deliveries of coal (see section III). The Democratic People's Republic of Korea has continued to earn income from the illicit transfer of fishing rights.

The Panel continued to investigate imports by the Democratic People's Republic of Korea of luxury items, such as vehicles and alcohol. The Panel obtained new information on previously reported cases. Imports during the reporting period were sporadic.

The Panel continued investigations into access by the Democratic People's Republic of Korea to international banking channels, including through its own bank representatives, joint ventures, shell companies and the use of virtual assets. The Panel continues to investigate and report on how the Democratic People's Republic of Korea converts virtual assets into fiat currency.

The Panel has investigated cyberactivity by the Democratic People's Republic of Korea in violation of sanctions, mostly led by the designated Reconnaissance General Bureau. In addition to obtaining fiat currency and virtual assets in violation of sanctions, the Democratic People's Republic of Korea has also evaded sanctions through targeted attacks against officials of Member States on the Security Council and the Panel.

The Panel investigated reports of information technology and other workers of the Democratic People's Republic of Korea dispatched to earn income overseas by the designated Munitions Industry Department of the Workers' Party of Korea. It also investigated reports of nationals of the Democratic People's Republic of Korea continuing to earn income overseas after the 22 December 2019 deadline for their repatriation, including as professional athletes, medical professionals and factory, restaurant and construction workers. To date, only around 40 Member States have submitted final implementation reports on the repatriation requirement, for which the deadline was 22 March 2020.

The Panel reports on investigations relating to embargoes and designated entities, including cases relating to the Mansudae Overseas Project Group, Korea Mining Development Trading Corporation representatives overseas, gold smuggling, an unsuccessful historical attempt by diplomats of the Democratic People's Republic of Korea to procure defence materiel, and alleged military cooperation. The Panel has updated its investigations of attempts by the Democratic People's Republic of Korea to earn income from the commercial use of its overseas diplomatic premises.

The sanctions resolutions are not intended to have adverse consequences for the civilian population or to affect negatively the operations of humanitarian organizations in the Democratic People's Republic of Korea. There can be little doubt, however, that they have had negative effects, although this is difficult to disaggregate from other external and internal factors. These effects were further compounded by measures taken in response to COVID-19, which also constrained the ability of the United Nations and other organizations to conduct and monitor humanitarian operations within the country. The Security Council Committee established pursuant to resolution [1718 \(2006\)](#) has accelerated consideration of COVID-19-related humanitarian exemption requests and exercised flexibility with regard to extensions of the exemption period.

The Panel recommends a series of practical measures to provide the Security Council, the Committee and Member States with additional tools with which to address challenges and shortcomings in the implementation of the relevant resolutions.

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\* The annexes are being circulated in the language of submission only and without formal editing.

## I. Introduction

1. In paragraph 2 of its resolution 2515 (2020), the Security Council requested the Panel of Experts established pursuant to resolution 1874 (2009) to provide the Security Council Committee established pursuant to resolution 1718 (2006) with a midterm report with its findings and recommendations. The present report covers the period from 8 February to 3 August 2020. The reporting period has coincided with the emergence of the coronavirus disease (COVID-19) pandemic, to which the Democratic People's Republic of Korea responded rapidly with border control and other measures (see annex 1).

## II. Recent activities related to the nuclear and ballistic missile programmes

### Nuclear

2. The Democratic People's Republic of Korea is continuing its nuclear programme, including the production of highly enriched uranium and construction of an experimental light water reactor. A Member State assessed that the Democratic People's Republic of Korea is continuing production of nuclear weapons.

3. Several Member States indicated that the uranium enrichment facility in Yongbyon is still operating. A Member State reported the removal of one of the six cooling devices at this uranium enrichment facility in March 2020, although the Member State did not determine the purpose or consequence of this work. Several Member States indicated that construction of the experimental light water reactor in Yongbyon was ongoing (see annex 2). The uranium mine and yellow-cake production plant in Pyongsan is operating (see annex 3).

4. Concerning plutonium production, the Panel has not obtained information indicating the restart of the operation of the 5 MW (e) reactor or extraction of spent fuel rods irradiated through the last operation cycle, between mid-2016 and mid-2018, although the period of suspended operation is sufficient for the cooling and extraction of the spent fuel.<sup>1</sup> This could be the longest interval between activities related to plutonium production campaigns.

5. At the Punggye-ri test site, intermittent activities, including snow clearing in the main administrative support area, continuous foot passage to the portals and the presence of groups of personnel and vehicles, were observed during the reporting period through satellite imagery. Those activities suggest that the site is in a restricted area and that groundskeeping and monitoring activities are conducted. As only the entrances of tunnels were known to have been destroyed and there is no indication of comprehensive demolition of tunnels, a Member State assessed that, once decided, two to three months would be sufficient to reconstitute one of the tunnels, reinstall the infrastructure required to support a test and emplace a test device (see annex 4).

6. Several Member States conveyed their assessments of the development of the nuclear capability of the Democratic People's Republic of Korea, stating that through its activities, including the past six tests, it has probably developed miniaturized nuclear devices to fit into the warheads of its ballistic missiles. A Member State assesses that the Democratic People's Republic of Korea may seek to further develop miniaturization in order to allow the incorporation of technological improvements, such as penetration aid packages, or, potentially, to develop multiple warhead systems.

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<sup>1</sup> A Member State stated that the fuel could be stored inside the fuel pond building of the 5 MW (e) reactor or in the fuel rods storage building of the reprocessing facility.

7. Several Member States replied to the Panel that they do not have information to confirm that the facility in Kangson (see [S/2019/171](#), para. 172) is for uranium enrichment (see annex 5). A Member State noted that it had never observed the storage of UF<sub>6</sub> cylinders near the possible main production building.

8. According to a Member State, at the end of 2018, the Second Economic Committee (KPe.032) attempted to procure multiple dual-use items which could be used for the nuclear programmes and ballistic missile programmes (see annex 6). This indicates that the Democratic People's Republic of Korea continued efforts to procure dual-use "choke-point items" from foreign sources (see [S/2020/151](#), para. 200).

9. It was reported that at the Fourth Enlarged Meeting of the Seventh Central Military Commission of the Workers' Party of Korea, led by Chairman Kim Jong Un, "new policies for further increasing the nuclear war deterrence of the country and putting the strategic armed forces on a high alert operation" were proposed.<sup>2</sup>

### **Ballistic missiles**

10. Since the beginning of 2020, the Democratic People's Republic of Korea has continued to develop its ballistic missile programme at an intense pace to bring the new ballistic missiles revealed in 2019 up to the level of operational weapon systems and to reinforce its ballistic missile bases and the industrial infrastructure related to the ballistic missile programme. Overseas prospecting for specific technologies and components remains a challenge for the programme.

11. During the series of four launch tests in March 2020, the Democratic People's Republic of Korea launched at least eight solid-propellant short-range missiles, combining ballistic missile and guidance technologies.<sup>3</sup> This is a high frequency of tests within a given time. In particular, the interval between the firing of identical missiles within a test was drastically reduced (see table 1 and annex 7). The 2020 firing trials were likely a development or training exercise designed to validate the performance of the missile systems (see [S/2020/151](#), para. 194 and table 3, and table 1 below).

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<sup>2</sup> Korean Central News Agency, 24 May 2020.

<sup>3</sup> Two experts expressed the view that the nature and technology of projectiles launched by the Democratic People's Republic of Korea in March 2020 was not clear.

Table 1  
**Launches of ballistic missiles or systems using ballistic missile technology by the Democratic People's Republic of Korea in March 2020**  
**(the missile landing locations are off its eastern coast) (see annex 7)**

<i>Date and time (local)</i>	<i>Reported type</i>	<i>Number</i>	<i>Reported launch location</i>	<i>Reported distance travelled (kilometres)</i>	<i>Reported apogee (kilometres)</i>	<i>Remark</i>	<i>Korean Central News Agency classification</i>
I. 2 Mar. 1237 hours	SRBM (KN-25); same as II and IV (24 Aug., 10 Sept., 31 Oct. and possibly 28 Nov. 2019)	2	Wonsan area	240	35	Probably an operational training test integrated into a military exercise  Wheeled TEL with four launch tubes (if KCNA pictures are genuine; images resembled those from 28 Nov. 2019)  TBL: 20 seconds	Multiple-launch rocket – long-range artillery
From 28 Feb. to 2 Mar.	MLRS (KN-09) 240 mm 300 mm		14 km from eastern Wonsan area 39°9'19.66"N 127°36'26.85"E	–	–	Operational training test for artillery and MLRS during “joint strike military drills” (see annex 7, figure 7-1)	Joint strike military drills
II. 9 Mar. 0736 hours	SRBM (KN-25); same as I and IV	2 or 3	Sondok area	200	50	Probably one KN-25 launch failed. Member States only counted two BMs  TBL: 20 seconds and 1 minute	Front-line long-range artillery
	MLRS (KN-09) 240 mm 300 mm	2	Sondok area	–	–	Possibly two KN-09 were also launched	Front-line long-range artillery
III. 21 Mar. 0645 and 0650 hours	SRBM (KN-24); same as 10 and 16 August 2019	2	Pyongan area; near Sonchon according to a Member State	410	50	Possible depressed with pull-up trajectory  TBL: 5 minutes	Tactical guided weapon
IV. 29 Mar. 0610 hours	SRBM (KN-25); same as I and II	2	Wonsan area	230	30	Tracked TEL (if KCNA photographs are genuine; images showed a tracked 6-tube TEL instead of a wheeled 4-tube TEL)  TBL: 20 seconds	Super-large multiple rocket

*Source:* Member States, the Panel.

*Abbreviations:* BM, ballistic missile; KCNA, Korean Central News Agency; MLRS, multiple-launch rocket system; SRBM, short-range ballistic missile; TBL, time between launches; TEL, transporter erector launcher.

12. Activity observed at the secure boat basin of the Sinpo south naval shipyard since May 2020 could be related to the handling of submarine-launched ballistic missiles or preparations for a further submarine-launched ballistic missile launch test. A container (around 16–17 metres long and around 2.5 metres wide, large enough to carry a Pukkuksong-1 or Pukkuksong-3 missile), has been detected since 27 May 2020 near the canopy at almost the same location<sup>4</sup> where a container was detected on 23 September 2019, 10 days before the submarine-launched ballistic missile launch test on 2 October 2019 (see annex 8 and S/2020/151, annex 58.7, figures 58.7.1 and 58.7.3).

13. According to a Member State, the level of activity is constant on six ballistic missile bases referred to by the Panel<sup>5</sup> (see S/2020/151, para. 198; S/2019/691, annex 32, para. 5; and S/2019/171, annex 84, para. 3). They are operational, and much work is still in progress at those bases (see annex 9).

14. Near the Sanum Dong production hall<sup>6</sup> in the Sanum Dong scientific and ballistic missile research complex, specific activities were observed from January to June 2020 (see annex 10).

15. The upgrading of the March 16 Factory automotive plant in Pyongsong (see S/2020/151, para. 198) has continued. Surroundings of the new adjacent building<sup>7</sup> have been cleared and work on the renovation of the western building has continued since 2018, while the activity of large vehicles has been detected, with wide-arched tyre traces possibly left by a transporter erector launcher (see annex 11).

16. New facilities<sup>8</sup> located 2 kilometres south-west of Pyongyang Sunan International Airport and currently under construction (dubbed the “Sil-li Ballistic Missile Support Facility”)<sup>9</sup> could be related to the ballistic missile programme infrastructure. Analysis of satellite imagery and comparison with well-known ballistic missile facilities, taking into account the buildings recently constructed on the site, the proximity of underground galleries integrated into the complex and the use of Pyongyang Sunan International Airport in the ballistic missile programme, suggests that the site could correspond to a ballistic missile assembly facility or a training facility (see annex 12).

17. The upgrading of the Sohae (Tongchang-ri) satellite launching ground continues, with the renovation of the roads and pathways around and inside the site from early March 2020 (see annex 13 and S/2020/151, para. 198 and annex 62).

### **Intangible transfer of technology**

18. Continuing its investigation of the various means used by the Democratic People’s Republic of Korea to procure technologies<sup>10</sup> through intangible transfers, such as international scientific collaborations (see S/2020/151, para. 201), the Panel

<sup>4</sup> Location: 40°1'33.70"N 128°9'57.69"E.

<sup>5</sup> The names of the bases are commonly referred to as “Sino-ri missile operating base” (39°38'41.52"N 125°21'19.71"E); “Yeongjeo-dong missile base” (41°19'31.57"N 127°5'42.56"E to 41°19'36.94"N 127°5'53.94"E); “Hoejung-ri missile base” (41°22'44.93"N 126°54'38.16"E); “Kumchon-ri missile operating base” (38°57'52.48"N 127°35'11.98"E); “Sakkanmol missile operating base” (38°36'10.20"N 126°3'57.43"E); and “Sangnam-ri missile operating base” (40°50'7.46"N 128°32'47.42"E). The coordinates do not represent the entire sites.

<sup>6</sup> Location: 39°8'30.32"N 125°46'0.11"E.

<sup>7</sup> Location: 39°16'52.08"N 125°52'12.76"E.

<sup>8</sup> Location: 39°10'50.56"N 125°39'50.01"E.

<sup>9</sup> A specific Center for Strategic and International Studies-Beyond Parallel and Jane’s joint survey and report of 5 May 2020 provided an analysis that characterized the site as a ballistic missile assembly facility (see Joseph Bermudez, “Sil-li Ballistic Missile Support Facility”, 5 May 2020, available at <https://beyondparallel.csis.org/sil-li-ballistic-missile-support-facility>).

<sup>10</sup> See annex 6, related to the recent procurement activity by the Second Economic Committee of the Munitions Industry Department.

has identified a risk that Democratic People's Republic of Korea researchers working in the editorial teams of international scientific and technical journals might be a channel for the intangible transfer of technology. Such researchers could collect information on and identify specific studies and researchers, as well as cutting-edge scientific institutes (see annex 14).

### III. Sectoral and maritime sanctions

#### Tanker deliveries to the Democratic People's Republic of Korea

##### *Direct deliveries and ship-to-ship transfers*

19. Maritime shipments to the Democratic People's Republic of Korea, while affected and temporarily reduced, did not come to a standstill amid the COVID-19 pandemic, and the country continued to import refined petroleum through illicit ship-to-ship transfers and through illicit direct deliveries. Democratic People's Republic of Korea tankers and other tankers continued to offload their refined petroleum mainly at the Marine Import Terminal at Nampo, via petroleum delivery lines at pier or off-pier at petroleum buoys.<sup>11</sup>

20. In paragraph 5 of its resolution [2397 \(2017\)](#), the Security Council decided that Member States shall prohibit the direct and indirect supply to the Democratic People's Republic of Korea of all refined petroleum products. The Council also decided that the provision shall not apply to the procurement by the Democratic People's Republic of Korea of refined petroleum products up to an aggregate amount of 500,000 barrels<sup>12</sup> in a period of 12 calendar months, provided that Member States notified the Security Council Committee established pursuant to resolution [1718 \(2006\)](#) of those shipments in accordance with the requirements of that paragraph. Accordingly, only shipments notified in compliance with paragraph 5 are permitted, regardless of whether notified shipments have reached the aggregate ceiling.<sup>13</sup>

21. On 24 July 2020, the Panel received a copy of a report submitted by 43 Member States to the Chair of the Committee (see annex 15). The report contains data (covering the period from 1 January to 30 May 2020) on tanker deliveries of refined petroleum products into the Democratic People's Republic of Korea, as well as related satellite images.<sup>14</sup> The Member States reported a total of 56 illicit deliveries (by Democratic People's Republic of Korea tankers and other tankers) of refined petroleum to ports in the Democratic People's Republic of Korea during the first five months of 2020, a decrease compared to 2019, in which 56 tanker deliveries were conducted in the first three months of the year.<sup>15</sup> Despite the lower vessel count, the Member States assessed

<sup>11</sup> Underwater pipelines attached to offloading buoys are used to transfer fuel from vessels to the terminals in the Nampo port complex (see also [S/2019/171](#), para. 24).

<sup>12</sup> The Committee has yet to agree upon a conversion rate for notifications made in tons into barrels (see [S/2020/151](#), para. 4 and footnote 3). China notified the Committee of shipments between January and May 2020 amounting to 1,813.64 tons. The Russian Federation notified the Committee of shipments during the period of 11,481.523 tons, giving a combined total for the period of 13,295.163 tons. In a report to the Committee of 24 July 2020 (see para. 21 below), 43 Member States calculated this as equating to 106,094.17 barrels. On 27 July, the Russian Federation and China replied that this conversion from tons to barrels was not properly founded in the absence of an agreed conversion rate within the Committee.

<sup>13</sup> Two experts are of the view that this sentence constitutes unnecessary broadening of interpretation of the resolution.

<sup>14</sup> The compilation of the data and images is consistent with previous reports from a Member State which the Panel has received since 2018, including a report received on 15 May 2020 covering the period from 1 January to 31 March 2020, and the content investigated by the Panel.

<sup>15</sup> The total number of observed tanker deliveries during the first 10 months of 2019 was 221 according to a Member State (see [S/2020/151](#), annex 1).

that the volume of those illicit deliveries was not substantially different given the proportion of higher capacity (formerly) foreign-flagged tankers<sup>16</sup> and may have amounted to between around 600,000 and around 1.6 million barrels,<sup>17</sup> exceeding the aggregate ceiling stipulated in paragraph 5 of resolution [2397 \(2017\)](#). None of the shipments appear to have been notified to the Committee in compliance with that paragraph. China responded that the report of 24 July submitted by 43 Member States “did not provide an accurate amount of refined petroleum products in each shipment, and the conclusion of the report is only based on assumptions and estimates”. China also responded: “It is neither scientific nor prudent to reach a conclusion that the annual limit has been exceeded based on estimations.” The Russian Federation responded that the report “does not provide objective, accurate and verifiable information or have enough solid imagery evidence”. The United States of America responded: “The images included in the report are robust in their quality and quantity and clearly demonstrate a breach of the cap.” The full responses by China, the Russian Federation and the United States are contained in annex 16.

### Recommendations

22. **The Panel reiterates its recommendation that the Committee agree upon a conversion rate between tons and barrels for refined petroleum products.**<sup>18</sup>

23. **The Panel reiterates its recommendation that Member States report any known transfers of refined petroleum products to the Democratic People’s Republic of Korea in full conformity with resolution [2397 \(2017\)](#).**

### Evasion methods

24. Details of evasion methods employed by suspect vessels that the Panel has observed in the course of its investigations are contained in annex 17.

### Foreign-flagged and unknown-flagged vessels conducting direct deliveries

25. The Panel has recommended a list of current and formerly foreign-flagged tankers that directly delivered refined petroleum to the Democratic People’s Republic of Korea to be designated for violating paragraph 5 of resolution [2397 \(2017\)](#) (see [S/2020/151](#), paras. 10–27, 43 and 44 and annex 1). Of those tankers, the *Bonvoy 3* (International Maritime Organization (IMO) No. 8978784), *Diamond 8* (IMO No. 9132612), *Hokong* (IMO No. 9006758), *Sen Lin 01*, also known as *Kwang Chon 2* (IMO No. 8910378), *Tianyou*, also known as *Sin P(h)yeong 2* (IMO No. 8817007), *Subblic* (IMO No. 8126082), *Unica* (IMO No. 8514306) and *Yun Hong 8* (maritime mobile service identity No. 413459380) have been reported by Member States to continue such deliveries during the observed time frame of January to May 2020 (see annex 15).<sup>19</sup> Those vessels are liable to seizure when they enter ports or territorial waters of other States (see resolution [2397 \(2017\)](#), para. 9).

<sup>16</sup> Based on Member State calculations of the total of illicit deliveries, the volumes from January to May 2020 equalled those from January to May 2019 given the larger-capacity tankers calling at Democratic People’s Republic of Korea ports (see annex 15 and [S/2019/691](#), annex 1).

<sup>17</sup> The 43 Member States have estimated the amount of petroleum products delivered to the Democratic People’s Republic of Korea by the vessels observed making deliveries between January and May 2020 to be nearly 600,000 barrels at 33 per cent laden, over 900,000 barrels at 50 per cent laden and over 1.6 million barrels at 90 per cent laden.

<sup>18</sup> Two experts are of the view that there is no need to reiterate recommendations that are already on the Committee’s agenda.

<sup>19</sup> Of the vessels observed conducting direct deliveries in 2019, the designated *New Regent* (IMO No. 8312497) and the *Vifine* (IMO No. 9045962) were not reported to have delivered refined petroleum during the first five months of 2020, while the *Viet Tin 01* (IMO No. 8508838) has been detained in Malaysia since December 2019.

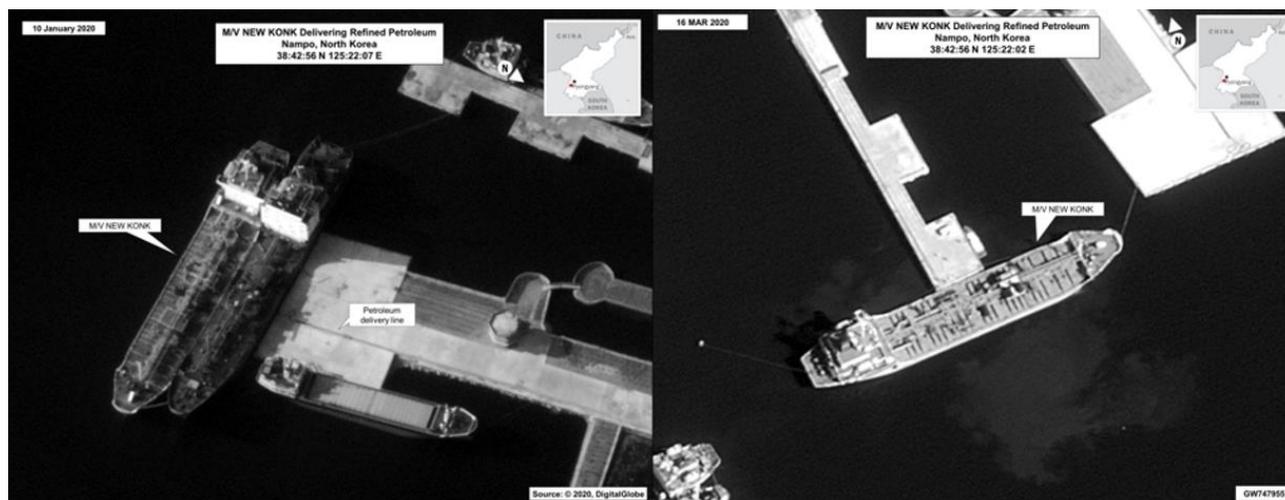
*Transition to Democratic People's Republic of Korea vessels*

26. Two tankers named in previous Panel reports subsequently joined the Democratic People's Republic of Korea fleet as flagged vessels. The *Tianyou* was registered by the Democratic People's Republic of Korea as the *Sin P(h)yeong 2* in August 2019<sup>20</sup> and the *Sen Lin 01*, recorded in satellite imagery in a dry-dock facility of the Democratic People's Republic of Korea at Nampo on 20 August 2019 (see S/2020/151, para. 14), was registered as the *Kwang Chon 2* in October 2019.<sup>21</sup>

*Transition to direct delivery vessels*

27. In 2020, the unknown-flagged *New Konk* (IMO No. 9036387) (see S/2020/151, para. 32) began delivering illicit cargo directly to Nampo (see figure I). The vessel was reported by Member States to have conducted deliveries at Nampo on at least six occasions from January to May 2020. Following a ship-to-ship transfer in June 2019 with the *Vifine* (IMO No. 9045962), a direct delivery vessel, the *New Konk* was deregistered from the Sierra Leone flag registry in October 2019.<sup>22</sup>

Figure I  
***New Konk* at Nampo delivering refined petroleum**



Source: Member State.

28. The *New Konk* shares the same registered owner, ship manager and operator as the *Vifine* (see S/2020/151, paras. 18, 19 and 32). The Panel continued its investigations into New Konk Ocean International Co. Ltd. (hereafter New Konk Ocean), the vessel's registered owner, ship manager and operator since May 2019.<sup>23</sup> New Konk Ocean has yet to respond to the Panel's enquiries. According to Hong Kong corporate registry records, a Chinese national, Ms. Qian,<sup>24</sup> has served as Director of the company. The Panel sought the assistance of China concerning Ms. Qian and information she may have on the vessel's deliveries. China replied that, to date, the investigations have not yet been completed.

<sup>20</sup> *Sin Pyong 2* as informed by a Member State in May 2020; *Sin Phyeong 2* as subsequently recorded by IHS Markit in an update on vessels flagged under the Democratic People's Republic of Korea as submitted by the country in July 2020 (accessed on 22 July 2020).

<sup>21</sup> IHS Markit (accessed on 22 July 2020).

<sup>22</sup> IHS Markit (accessed on 28 November 2019).

<sup>23</sup> Information from IMO website.

<sup>24</sup> Ms. Qian is listed at an address in Yunnan Province, China.

*Continued direct deliveries*

29. Larger-capacity former and current foreign-flagged tankers were observed to have conducted multiple deliveries to the Democratic People's Republic of Korea in 2020. They included the largest recorded direct delivery tanker, the Sierra Leone-flagged *Diamond 8* (IMO No. 9132612), with a dead weight tonnage<sup>25</sup> of approximately eight times the *Saebyol*, also known as *Chong Rim 2* (IMO No. 8916293), one of the most active Democratic People's Republic of Korea tankers. The Panel assesses the use of larger-capacity direct delivery tankers to be a more efficient method of delivery than ship-to-ship transfers conducted by Democratic People's Republic of Korea tankers with smaller vessels before returning to port.

*Diamond 8*

30. The Panel continued to observe the *Diamond 8* conducting suspicious voyages after the vessel had delivered refined petroleum at Nampo on or around 27 October 2019 (see S/2020/151, paras. 21 and 44 and annex 1). A commercial maritime platform showed the vessel without an automatic identification system signal for 14 days in February and 10 days in March 2020 while sailing north through the Yellow Sea. The *Diamond 8*'s February 2020 voyage exhibited clear similarities with its October 2019 voyage in terms of route, location and loss of automatic identification system transmission signal. Imagery provided by a Member State confirmed that the *Diamond 8* made at least two port calls at Nampo in February and March 2020 to deliver refined petroleum (see figure II). The Panel has written to Sierra Leone and is awaiting a response. Since October 2019, the *Diamond 8* appears to have primarily loitered in waters off Kaohsiung port. On 26 May 2020, the Panel observed that the vessel had reported a scheduled port call at Nantong later the same day and had sought the assistance of China.

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<sup>25</sup> Refers to the cargo, stores, ballast, bunker fuel and crew the vessel can transport.

Figure II  
 Left to right (top and bottom): similarity of the *Diamond 8*'s voyages in October 2019 and February 2020; *Diamond 8* at Nampo port in February and March 2020<sup>26</sup>



Source: Member State, Windward.

31. The Panel continued its enquiries into the individuals and entities facilitating the vessel's activity. A company, Vanguard Ship Management Co. Ltd. (hereafter Vanguard Ship), with a registered address in Indonesia, is listed as the vessel's ship manager and operator as of September 2019 and also serves as the "care of" address of the *Diamond 8*'s registered owner.<sup>27</sup> Indonesia stated that Vanguard Ship is not a registered shipping agency operating in Indonesia and has neither licences nor appropriate permits issued to it, and neither the company nor the vessel are listed in the databases of Indonesia (see annex 18).

32. The Panel notes that according to historical automatic identification system data, the vessel operating at that time as the *Royal Ace* sailed to Wonsan port on or around 4 June and 30 August 2017 and to Chongjin port on or around 10 November 2017, indicating the vessel's past trading history with the Democratic People's

<sup>26</sup> All featured dates attributed to Windward in the report are in Eastern Standard Time.

<sup>27</sup> Address information submitted to various maritime databases, including information on a different vessel registered under Vanguard Ship.

Republic of Korea. The Panel has yet to ascertain any association between the vessel's previous and current owners and managers.

### Ship-to-ship transfers

33. The Panel assesses that the Democratic People's Republic of Korea continues to utilize ship-to-ship transfers as the primary means to obtain its refined petroleum and evade quotas imposed by the Security Council. Affected areas where Democratic People's Republic of Korea tankers have been known to conduct illicit ship-to-ship transfers as reported by a Member State and observed by the Panel are shown in annex 19. The Panel is investigating the following cases of illicit ship-to-ship activities conducted with Democratic People's Republic of Korea tankers under subterfuge and through night-time transfers in the East China Sea as reported by Member States (see annex 20 for details):

- *Sam Jong 2* (IMO No. 7408873)<sup>28</sup> and an unidentified vessel on or around 9 January 2020.
- *Myong Ryu 1* (IMO No. 8532413)<sup>29</sup> and the Panama-flagged *Infinite Luck* (IMO No. 9063811) on or around 10 January 2020. Panama has responded to the Panel with documentation that the Panel is reviewing. The *Infinite Luck's* registered owner, Uniform Shipping Co. Ltd. HK, has yet to reply to the Panel. Investigations continue.

### Detained vessels

*Courageous*, also known as *Sea Prima*

34. The Panel continued its investigations into the *Sea Prima* (IMO No. 8617524), which conducted a ship-to-ship transfer with the *Saebyol* in September 2019, a month after the *Sea Prima* had been deleted from its last flag registry.<sup>30</sup> The vessel recorded a name change to *Courageous* in January 2020 and sailed under the Cameroon flag, following a gap of at least two months when the vessel was recorded without a flag.<sup>31</sup> The Panel has written to Cameroon concerning the vessel's flag status and associated registration information and is awaiting a response. Cambodian authorities detained the vessel when it was found to be flying a Cambodian flag without the permission of the requisite authorities on or around 6 February 2020. The Panel notes that since August 2015, when Cambodia closed its ship registry, any claim by a ship to be sailing under the Cambodian flag is false.

35. Between 2017 and 2019, the vessel was also found to have conducted ship-to-ship transfers on five occasions from larger supplier tankers. The vessel in turn transferred the refined petroleum to smaller boats in waters off Taiwan Province of China.<sup>32</sup> Cambodian authorities reported that the vessel had directly delivered refined petroleum to Nampo on one occasion and confirmed the Panel's earlier report of the vessel's ship-to-ship transfer with a Democratic People's Republic of Korea tanker. Further investigations are required to determine whether any of the transfers that took place with the smaller boats were linked to sanctions evasion activities of the Democratic People's Republic of Korea.

36. The vessel was carrying a crew of 16 with no petroleum cargo when it was detained. The ship particulars document (see annex 21) confirms the vessel's owner as

<sup>28</sup> Designated for an asset freeze and port ban in March 2018.

<sup>29</sup> Recommended by the Panel for designation (see S/2020/151, paras. 40 and 46, and S/2019/171, para. 50).

<sup>30</sup> IHS Markit (accessed on 25 November 2019).

<sup>31</sup> IMO website.

<sup>32</sup> Two experts are of the view that this information can be further corroborated.

New Eastern Shipping Co. Ltd. (hereafter New Eastern), a company with a registered address in Xiamen, China, and the vessel's management company as Courage Maritime,<sup>33</sup> a company incorporated in Belize. The *Courageous*' owner and management company do not appear to have an online commercial presence or to publicly disclose their contact details. Information obtained in the course of the Panel's investigations shows that the vessel was purchased in July 2019 from the previous owner through brokers and agents based in Singapore and Kaohsiung city, respectively.

37. Preliminary investigations into the individuals associated with the *Courageous* indicate at least an association between the vessel and Singapore-based individuals. A Mr. Kwek, whose company provided port and other related services to the *Viet Tin 01* when the vessel was at port in January and February 2019, allegedly represented the buyer, New Eastern, during preparations for the handover of the vessel. The Panel sought Mr. Kwek's assistance on his role and activities relating to the vessel as well as New Eastern or its associates. Mr. Kwek replied that owing to the current COVID-19 pandemic, replies are generally much slower and stated that he would revert with a response.

38. A shipping agency based in Kaohsiung city (company-KC) allegedly served as agents representing New Eastern. Company-KC responded that it did not know New Eastern, had no idea of any contacts concluded with New Eastern or its representatives and served as "a shipping agency only for the vessel to drop anchor in September" (2019). Company-KC further indicated that records of payments and bank account details requested by the Panel for services rendered for the *Courageous* were "not available". The Panel sought further clarification from company-KC. Investigations continue.

#### Viet Tin 01

39. The Panel continued its investigations into the port call of the Viet Nam-flagged *Viet Tin 01* (IMO No. 8508838) at Nampo on and around 26 February 2019 and of individuals and entities that facilitated the vessel's activities (see [S/2020/151](#), para. 43 and annex 12, and [S/2019/691](#), paras. 10–12). According to Mr. Kwek, his company ("company-K") was appointed by both the vessel's owner (Viet Nam-based Viet Trust Shipping Corporation, hereafter Viet Trust) and charterer (China-based Happy Shipping Co. Ltd.) to serve as the port shipping agent when the vessel was in port in Singapore from 31 January to 3 February 2020. Both the owner and charterer instructed him to declare on the port clearance certificate the next port of call as Hong Kong, China, prior to the vessel's departure (see annex 22).<sup>34</sup> Documents dated between 29 January and 1 February 2019 for the purchase of refined petroleum on-board the *Viet Tin 01* show T Energy International Co. Ltd. (hereafter T Energy) as the buyer. Viet Nam had previously informed the Panel that the vessel owner was a victim of fraudulent and unlawful appropriation of the vessel's use by foreign entities.

40. T Energy purchased the refined petroleum on-board the *Viet Tin 01* from Continental Platform Pte. Ltd. (hereafter Continental Platform) following termination of the contract by company-K with T Energy in November 2018.<sup>35</sup> The Panel continues to investigate discrepancies between the payment made by T Energy to a United States dollar account of company-K and the amount transferred from company-K to a Singapore dollar account held by Continental Platform. The Panel

<sup>33</sup> The company is listed on a maritime database platform as the vessel's document of compliance company and technical manager.

<sup>34</sup> The vessel subsequently transmitted several different destinations before sailing to Nampo. Voyage tracking data in commercial maritime databases and port data accessible to the Panel do not indicate any port entry or for the vessel to have been near some of its reported port destinations.

<sup>35</sup> Information according to Mr. Kwek.

has yet to receive a response from Mr. Kwek. T Energy has yet to respond to the Panel's repeated enquiries. The Panel continues to trace the history of the vessel's cargo.

41. Malaysia confirmed the detention of the *Viet Tin 01* since 8 December 2019 on the basis of the vessel being a potential obstruction hazard while anchored in a maritime navigation lane. Apart from a deck log book (entries from July to August 2019), master's night order log book (entries from September 2018 to June 2019) and crew list, no relevant records typically carried on-board the vessel were found with regard to shipping and navigation documentation, communications and certificates sought by the Panel. The Panel notes that the deck log book dates are outside the Panel's investigative period. The night order log book did not register entries on or around 26 and 27 February 2019 and logged the vessel as "sailing at Yellow Sea" and at "Bohai Sea" immediately prior to and following the dates. The Panel notes that other logs and documentation not identified on-board the vessel would inform of the vessel's location on or around those dates.

42. Malaysian authorities issued a letter via the vessel's shipping agent requesting that the vessel's owner claim, take charge and move the vessel. The owner, owing to health conditions that prevented travel, indicated his intention to sell the vessel to settle the outstanding charges and fees incurred. The sale of the vessel to a new owner was finalized in March 2020, with the intention to prepare the vessel for departure from Malaysia at the end of August 2020. At a court hearing in June 2020, fines were imposed for two charged offences, which were settled by the shipping agent on behalf of the owner. A fine was imposed on the ship owner for the cost of salvaging the vessel, to be settled prior to the vessel's release.

43. In comparing documentation received from various parties, the Panel notes that the Master of the *Viet Tin 01*, a Myanmar national, has the same name, nationality and date of birth as the Master of the *Courageous*. Two other crew members who were on-board the *Viet Tin 01* were also listed on the crew list of the *Courageous*.<sup>36</sup> Investigations continue.

#### **Maritime exports from the Democratic People's Republic of Korea**

44. Violations of Security Council resolutions banning the export of coal from the Democratic People's Republic of Korea continue. A Member State reported that coal exports had been suspended from around the end of January until late March 2020, coinciding with the publicly reported restrictions by the Democratic People's Republic of Korea on international trade and travel to counter the spread of COVID-19. While most Democratic People's Republic of Korea vessels that were already conducting coal shipments at the time continued with those shipments, dozens of Democratic People's Republic of Korea vessels appeared anchored outside Nampo lock gate during the suspension period, very likely resulting in fewer shipments of sanctioned goods traded over the period. The Panel observed a similar phenomenon of vessels idling along the Taedong River (see annex 23). The same Member State reported that some Democratic People's Republic of Korea vessels began importing humanitarian aid, such as food and fertilizer, from China during the suspension period.<sup>37</sup>

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<sup>36</sup> The *Courageous* was recorded on Windward as sailing from Kaohsiung port in mid-February 2020 towards the port of Sihanoukville, Cambodia, following an automatic identification system transmission gap from August to December 2019.

<sup>37</sup> During that period, the Panel observed a number of Democratic People's Republic of Korea vessels transmitting an automatic identification system signal as they sailed between the Democratic People's Republic of Korea and some Chinese ports. A number of those vessels had typically not transmitted an automatic identification system signal in a while, with the longest stretching over a period of two years.

45. According to the Member State, the Democratic People's Republic of Korea resumed coal exports in late March 2020 when three vessels loaded coal at Chongjin, sailed to the Ningbo-Zhoushan area, and offloaded coal in Chinese territorial waters. Coal export activity from ports along the Taedong River resumed in late April 2020. This time frame for the resumption of coal exports by the Democratic People's Republic of Korea is consistent with ship movements observed in cases investigated by the Panel.

46. The Panel continues to investigate the presence of multiple Democratic People's Republic of Korea vessels in the waters off Ningbo-Zhoushan, where they continue to be observed at a given point (see S/2020/151, para. 69, and S/2019/691, para. 19). Satellite imagery provided by a Member State recorded some Democratic People's Republic of Korea vessels loading coal at Nampo and Taean ports prior to arriving in Chinese waters, where several of the vessels were shown at anchor with cargo hatches open with what appeared to be coal (see annex 24). A number of those vessels were recorded within kilometres<sup>38</sup> of the Chinese coast (see annex 25).<sup>39</sup>

47. According to the Member State, since the Democratic People's Republic of Korea resumed the export of coal, at least 32 of its vessels have left the country laden with coal, and at least 33 shipments had been conducted as at 7 May 2020. The Member State has assessed that the vast majority, if not all, of these shipments were delivered to China and offloaded in the Ningbo-Zhoushan area through ship-to-ship transfer.

48. Commercial satellite imagery, material from open sources and the Panel's assessment of the vessels overall align with the information provided by the Member State. A number of the Democratic People's Republic of Korea vessels that the Member State has recorded making shipments have previously been reported by the Panel as having transferred or trans-shipped their coal. These vessels include the *Kal Ma* (IMO No. 8503228) (see S/2019/171, annex 13), *Jang Un* (IMO No. 8822260) (ibid., annex 15), *Phyong An* (IMO No. 8606410) (see S/2020/151, figure 15), *Jin Hung 9* (IMO No. 9035967) (ibid., annex 15), *Un Bong 2* (IMO No. 8913186) (see S/2018/171, para. 59), *Hae Song 1* (IMO No. 8995990) (see S/2020/151, figure 15), *Su Song* (IMO No. 9024889) (see S/2019/691, para. 19), *Nam Dae Chon* (IMO No. 9138680) (see S/2019/171, annex 15) and the designated *Ji Nam San* (IMO No. 9114555) (see S/2018/171, para. 59), with the latter sanctioned by the Security Council in 2018 for trans-shipment of coal from the Democratic People's Republic of Korea while sailing as the *Ul Ji Bong 6*. In some cases, Democratic People's Republic of Korea vessels were shown alongside lighters, barges and floating cranes that are typically used to offload cargo in ship-to-ship transfers at sea. None of the vessels appeared on commercial maritime platforms to be transmitting automatic identification system signals during the relevant periods of investigations, with most not transmitting such signals for a significant period of time,<sup>40</sup> indicating that the Democratic People's Republic of Korea continues to avoid providing tracking data of the routes and waters where its vessels trade.

#### Kal Ma and Jang Un

49. The *Kal Ma* (IMO No. 8503228) was recorded on satellite imagery loading coal on or around 21 April 2020 at Taean, Democratic People's Republic of Korea. Another Democratic People's Republic of Korea vessel, the *Jang Un* (IMO No. 8822260), was

<sup>38</sup> Democratic People's Republic of Korea vessels were recorded on satellite imagery anchored within 1 nautical mile of, or less than 2 kilometres from, the Chinese coastline.

<sup>39</sup> Two experts are of the view that the information in this paragraph and the following paragraph can be further corroborated.

<sup>40</sup> A gap of at least a year of automatic identification system signal transmission.

featured on the same day loading coal at Nampo. Satellite imagery recorded both vessels anchored in the Ningbo-Zhoushan area on or around 3 May 2020, where the Member State assessed that the vessels offloaded their coal (see figure III). The *Kal Ma* and the *Jang Un* were featured in previous Panel reports for exporting Democratic People's Republic of Korea-origin coal (see S/2019/171, annexes 13 and 15).

Figure III

**Left to right (top and bottom): the *Kal Ma* and the *Jang Un* loading coal in April 2020; both vessels at anchor near Ningbo-Zhoushan in May 2020; the *Jang Un* conducting ship-to-ship transfer off the Gulf of Tonkin in September 2018**



Source: Member State; map: the Panel; commercial maritime platform: Windward, annotated by the Panel.

50. The Panel also investigated the following Democratic People's Republic of Korea vessels at Ningbo-Zhoushan in April 2020 and sought the assistance of China (see annex 26):

- *Jin Hung 9* (IMO No. 9035967) exporting coal from the Democratic People's Republic of Korea in April 2020.
- *New Dawn* (IMO No. 9135494) conducting suspect voyage and transmitting false identifiers in January to February and April to May 2020.

51. China replied that on vessels in the Panel's letters which are suspected to make ship-to-ship transfers, so far the investigations have not been completed yet. China replied that if any Chinese vessel, individual or entity was proven to be involved in illegal ship-to-ship transfers, the Chinese law enforcement authority would prosecute them in accordance with laws and regulations.

## Transition of bulk carriers to Democratic People's Republic of Korea vessels to conduct illicit activities

*Tae Pyong*, also known as *Great Wenshan*

52. The Panel is investigating the transition of the *Tae Pyong*, also known as *Great Wenshan* (IMO No. 9018751) to the Democratic People's Republic of Korea in 2020<sup>41</sup> as well as its illicit export of Democratic People's Republic of Korea-origin coal. In its resolutions, the Security Council prohibits the Democratic People's Republic of Korea from acquiring directly or indirectly, through supply, sale or transfer, new or used vessels, as well as prohibiting non-Democratic People's Republic of Korea nationals from owning, leasing, operating, chartering, crewing and providing other associated services to Democratic People's Republic of Korea vessels. The case highlights the vessel's maiden voyage to the Democratic People's Republic of Korea and the change of identifiers soon after deletion from a third-country flag registry; identifier manipulation throughout the vessel's voyages to and from the Democratic People's Republic of Korea to transport its coal; and limited owner and management information.

53. In late December 2019, the formerly Panama-flagged *Great Wenshan* registered an automatic identification system transmission outside the port of Xiamen, China, with an unknown destination of "Order", prior to sailing out of the port area.<sup>42</sup> The vessel's historical routes showed it primarily operating in the South China Sea and parts of the East China Sea since December 2018, marking the vessel's northward journey towards the Yellow Sea on or around 29 December 2019 as a departure from its normal trading route. The vessel, which was deregistered from Panama on 5 January 2020, recorded an automatic identification system transmission on or around 6 January 2020 in Nampo. At some point in 2020, the vessel changed its name to *Tae Pyong*, sailing under the Democratic People's Republic of Korea flag.

### *Manipulation of vessel identifiers*

54. Automatic identification system transmission records indicate that a vessel with the same identifiers as the *Tae Pyong*, transmitting as *Pak*, conducted a port call at Nampo on or around 24 April 2020, proceeded to sail into Chinese waters in the Hangzhou Bay area three days later, and returned to the Democratic People's Republic of Korea on or around 4 May 2020. The vessel continued to manipulate its identifiers, including spoofing another vessel, and subsequently transmitted as the *Tae Phyoung*.<sup>43</sup> In the course of the Panel's investigation, a Member State provided satellite imagery showing the *Tae Pyong* loading coal at Nampo on or around 18 January 2020 and remaining laden on the Taedong River until April 2020, when it sailed to the Ningbo-Zhoushan area. The Member State assessed that the *Tae Pyong* offloaded its coal in Chinese waters (see figure IV). The vessel returned to the Democratic People's Republic of Korea on or around 5 May 2020. The vessel, transmitting as *Pak*, conducted a similar voyage to the Ningbo-Zhoushan area on 30 May 2020, returning to the Democratic People's Republic of Korea five days later.

<sup>41</sup> Maritime databases and IMO website.

<sup>42</sup> Windward.

<sup>43</sup> Name change to the *Tae Phyoung* recorded on IHS Markit (accessed on 22 July 2020).

Figure IV  
*Tae Pyong's* voyages to export coal originating from the Democratic People's Republic of Korea



Source: Member State; map: the Panel; commercial maritime platform: Windward, annotated by the Panel.

#### Limited data on ownership

55. Great Wenshan Shipping Co. Ltd<sup>44</sup> (hereafter Great Wenshan Shipping) has been listed as the vessel's registered owner since September 2018, with Fujian Hengfeng Shipping Co. Ltd<sup>45</sup> (hereafter Fujian Hengfeng Shipping) as the vessel's ship manager, operator, technical manager and document of compliance company holder. Neither company appears to have an online commercial presence. Viet Nam confirmed that the vessel had been sold and delivered to Great Wenshan Shipping in November 2018. The vessel, sailing as the *Great Wenshan*, was confirmed by Panama as cancelled from its ship registry on 5 January 2020 with a reported reason being the vessel's onward sale to another entity with a different Hong Kong address and a reported flag change to another third-country registry.<sup>46</sup> Investigations continue.

56. Hong Kong corporate registry records list a Mr. Liu<sup>47</sup> as the company Director of Great Wenshan Shipping and a different Mr. Liu<sup>48</sup> as the majority shareholder of

<sup>44</sup> In Chinese: 偉山航運有限公司.

<sup>45</sup> In Chinese: 福建省恒丰船务有限公司.

<sup>46</sup> The Panel notes that the vessel was recorded to have transmitted as a Democratic People's Republic of Korea vessel in Nampo a day after its deregistration from Panama.

<sup>47</sup> Mr. Liu, of Great Wenshan Shipping, is listed at an address in Fujian Province, China.

<sup>48</sup> Mr. Liu, of Fujian Hengfeng Shipping, is listed at an address in Shanghai, China.

Fujian Hengfeng Shipping. The Panel has written to Great Wenshan Shipping and Fujian Hengfeng Shipping and also sought the assistance of China, which replied that investigations had yet to be completed. The vessel's registered owner and its management company have yet to respond to the Panel's enquiries.

#### Samzin 8 and Ri Hong

57. The *Samzin 8* (IMO No. 8810578) and the *Ri Hong* (IMO No. 9162318) were recorded on satellite imagery alongside other Democratic People's Republic of Korea vessels on or around 29 April 2020 within proximity of islands near the Ningbo-Zhoushan area (see annex 24). The *Samzin 8* was also recorded on or around 3 May 2020 with other Democratic People's Republic of Korea vessels in the same area. A Member State assessed that the vessels offloaded Democratic People's Republic of Korea-origin coal in the Ningbo-Zhoushan area. The Panel's analysis of publicly available information and documentation received is consistent overall with the Member State's assessment. Sierra Leone informed the Panel that the *Samzin 8* was deregistered in May 2016 owing to her illegal entry in a sanctioned country (the Democratic People's Republic of Korea). The vessel was flagged under the Democratic People's Republic of Korea as the *Sam Jin 8* as of August 2019.<sup>49</sup> Panama confirmed that the *Ri Hong* had been deregistered from its ship registry on 20 December 2019 on the basis of the transfer of the vessel to another flag.<sup>50</sup> A Member State has since assessed it to be a Democratic People's Republic of Korea vessel.

58. Ji Chen International Trading Co. Ltd. (hereafter Ji Chen International), the *Samzin 8*'s registered owner, shared the same corporate registration service company address with dozens of other companies, including Uniform Shipping, the registered owner of the *Infinite Luck* (see para. 33 above).<sup>51</sup> Ji Chen Ship Management Co. Ltd. (hereafter Ji Chen Ship) was listed as the vessel's beneficial owner and has managed and operated the *Samzin 8* since July 2015.<sup>52</sup> The Panel notes that Ji Chen Ship had previously managed vessels prior to their entering the Democratic People's Republic of Korea fleet in 2016 and 2017, including the *Kum Song 3* (IMO No. 8661850) and the *Kum Song 7* (IMO No. 8739396).

59. The registered owner of the *Ri Hong*, Li Hong Shipping Co. Ltd. (hereafter Li Hong Shipping),<sup>53</sup> is listed under the care of Hong He Shipping Co. Ltd. (hereafter Hong He Shipping), the vessel's ship management and document of compliance company with an address in Shandong Province, China. The above-mentioned owners and management companies of the *Samzin 8* and the *Ri Hong* have yet to respond to the Panel's enquiries.

60. The Panel is also investigating the Democratic People's Republic of Korea – flagged *Su Ri Bong*, also known as the *Pu Zhou* (formerly the *Fu Xing 12*) (IMO No. 8605727), which exported Democratic People's Republic of Korea-origin coal (see S/2020/151, paras. 73–77). The Panel requested assistance from China concerning information on the listed buyer of the vessel along with the vessel's voyages and its cargo; the Philippines concerning the Director of Honour Sail Limited, incorporated in the British Virgin Islands, the vessel's management company following its sale; and a management company based in Kaohsiung city that served

<sup>49</sup> IHS Markit (accessed on 23 July 2020).

<sup>50</sup> The IMO website lists the vessel sailing as flag unknown. The Panel has written to the named flag registry and is awaiting a response.

<sup>51</sup> The vessel was deregistered from Hong Kong corporate registry records in January 2018.

<sup>52</sup> IHS Markit (accessed on 1 June 2020).

<sup>53</sup> Li Hong Shipping, with a correspondent address in Dalian, China, was incorporated as a non-resident domestic corporation in the Marshall Islands from January 2014 to June 2020.

as the vessel's document of compliance company for a short period while the vessel was flagged under Sierra Leone.<sup>54</sup> China replied that investigations had yet to be completed and that if any Chinese vessel, individual or entity was proven to be involved in illegal ship-to-ship transfers, the Chinese law enforcement authority would prosecute them in accordance with laws and regulations. The Philippines responded that it would provide information as soon as it became available. The management company stated that it had no knowledge of the vessel's owner and had been contracted for safety management services through a Chinese broker (see annex 27).

### **Fishing rights transfer**

61. According to information provided by a Member State, the Democratic People's Republic of Korea continues to sell fishing rights to entities in a third country, allowing them to operate in Democratic People's Republic of Korea waters. The Member State observed a total of about 70 fishing boats heading towards Democratic People's Republic of Korea waters up to the end of May 2020. The information also identified posts on an Internet site soliciting squid fishing boats to operate in Democratic People's Republic of Korea waters. The Panel confirmed the contents of an advertisement about which it was informed by the Member State. The advertisement was posted in late March 2020 by an account holder of an Internet site. In the advertisement are contained a copy of a model contract and a certificate issued by a chamber of commerce in the Democratic People's Republic of Korea which confirms that Songsan Trading Company in Pyongyang was granted approval by State authorities and has the right to conduct fishing jointly in the waters of the Democratic People's Republic of Korea. On the posted contract, the salary for a crew member per month is at least 2,500 yuan,<sup>55</sup> with the stipulation that the foreign counterpart should provide 100 vessels for fishing along with supporting vessels (see annex 28). Investigations continue.

### **Recommendations**

#### **To the Committee**

62. **The Panel recommends the designation of the following vessel for violation of paragraph 5 of resolution 2397 (2017):**

- *New Konk* (IMO No. 9036387), formerly Sierra Leone-flagged

63. **The Panel reiterates its recommendation, contained in paragraph 44 of document S/2020/151, for the designation of listed vessels in violation of paragraph 5 of resolution 2397 (2017). Other than the *Viet Tin 01* (IMO No. 8508838), which is being detained,<sup>56</sup> and the *Vifine* (also known as *Tealway FV*) (IMO No. 9045962), the following vessels listed in paragraph 44 of document S/2020/151 each continued to deliver refined petroleum to the Democratic People's Republic of Korea during the observed time frame between January and May 2020, in further violation of paragraph 5 of resolution 2397 (2017):<sup>57</sup>**

- *Bonvoy 3* (IMO No. 8978784), flag unknown
- *Diamond 8* (IMO No. 9132612), Sierra Leone-flagged
- *Hokong* (IMO No. 9006758), formerly Sierra Leone-flagged

<sup>54</sup> Flagged from July to September 2019 (IHS Markit).

<sup>55</sup> \$356 (rate on 8 July 2020).

<sup>56</sup> As of December 2019.

<sup>57</sup> Two experts are of the view that there is no need to reiterate recommendations that are already on the Committee's agenda.

- ***Kwang Chon 2* (formerly *Sen Lin 01*) (IMO No. 8910378), Democratic People’s Republic of Korea-flagged**
- ***Sin P(h)yeong 2* (formerly *Tianyou*) (IMO No. 8817007), Democratic People’s Republic of Korea-flagged**
- ***Subblic* (IMO No. 8126082), formerly Sierra Leone-flagged**
- ***Unica* (IMO No. 8514306), formerly Sierra Leone-flagged**
- ***Yun Hong 8* (maritime mobile service identity No. 413459380), Chinese-flagged**

**To Member States, on best practices with regard to the activities of the Democratic People’s Republic of Korea**

64. The continuation of non-Democratic People’s Republic of Korea tankers directly delivering refined petroleum to the Democratic People’s Republic of Korea strengthens the need for heightened due diligence conducted by flag registries, vessel owners and vessel operators as well as related shipping entities. The Panel recommends the following best practices for Member States and industry to consider.

*On information-sharing among flag States*

65. **The Panel recommends that flag registries consider joining the Registry Information-Sharing Compact, an industry initiative of Panama, the Marshall Islands and Liberia<sup>58</sup> that formalizes information-sharing to alert flag States to vessels that could pose sanctions-related concerns so as to potentially deny the vessels’ applications.**

*On promoting transparency*

66. **The Panel recalls its recommendation that Member States endeavour to collect identifying and contact information for each individual that owns or exerts control over the foreign entity to which each vessel belongs, and to share the information, when requested, with the Panel in order to facilitate investigations into sanctions evasion networks through the use of shell companies as registered owners.**

*On automatic identification systems and long-range identification and tracking of ships*

67. **The Panel recommends that Member States encourage their shipping industry to follow best practice measures already adopted by related sectors, including vessel insurance and reinsurance businesses, commodity trading companies, banks and flag registries, that investigate signs and reports of automatic identification system and/or long-range identification and tracking system transponder manipulation before entering into new contracts or when reviewing ongoing business.**

68. **The Panel also recommends that Member States encourage port State control, maritime and vessel traffic services authorities to promulgate and police the requirement to maintain automatic identification system broadcasts by tankers and bulk carriers arriving in and leaving their jurisdictions, consistent with the International Convention for the Safety of Life at Sea, and to consider investigating the validity of vessels suspected of tampering with their identifiers along with their activity to ensure that they are not in violation of sanctions resolutions.**

<sup>58</sup> Also joined by the registries of Saint Kitts and Nevis, the Comoros, Honduras, Palau and Vanuatu as of April 2020.

*On heightening scrutiny*

69. **The Panel reiterates its recommendation that Member States ensure that port and relevant authorities engage in higher scrutiny of lighters and floating cranes in view of their use in ship-to-ship transfers with Democratic People's Republic of Korea vessels, including verification of the origin and documentation of their cargo, particularly in locations that have registered the presence of Democratic People's Republic of Korea vessels.**

70. **The Panel recommends that any Member State receiving coal shipments for delivery or trans-shipment take enhanced measures to validate the documentation accompanying those shipments.**

71. **The Panel recommends that Member States remain vigilant regarding the movement of vessels trading in restricted or banned commodities, in particular in waters where illicit ship-to-ship transfers have been known to occur.**

**Trade statistics of the Democratic People's Republic of Korea**

72. The Panel continues to analyse exports and imports by the Democratic People's Republic of Korea in violation of relevant resolutions from published trade statistics based on Member States' customs data, available from the International Trade Centre (ITC) Trade Map (see annex 29 for full results of the Panel's inquiries). In 2019, the Democratic People's Republic of Korea recorded an increase in exports, but a widening of its trade deficit, compared with the previous year (see table 2).

Table 2

**Trade of the Democratic People's Republic of Korea, 2017–2019**

(Thousands of United States dollars)

	2017	2018	2019
Exports	2 059 244	336 637	414 346
Imports	3 555 782	2 326 272	2 718 854
<b>Trade balance</b>	<b>(1 496 538)</b>	<b>(1 989 635)</b>	<b>(2 354 508)</b>

Source: ITC Trade Map (accessed on 24 June 2020).

73. The Panel notes the impact of the country's border closure in the first half of 2020 (see annex 1) and the absence of the biannual Pyongyang International Trade Fair during that period. Information from Member States shows that the Democratic People's Republic of Korea continues the illicit export of commodities such as coal, which does not appear in the international trade database (see paras. 44–60 above). This could explain how the increase in the trade deficit in recent years may have been partially offset.

## IV. Embargoes, designated entities and individuals, and overseas workers

**Embargoes***Czechia, another European Union member State and Nigeria*

74. According to a media report of 29 January 2020,<sup>59</sup> in 2012 and 2013, the Czech intelligence services successfully prevented procurement attempts by the Democratic

<sup>59</sup> Oliver Hotham, "Czech gov't foiled North Korean arms smuggling plot, intelligence service says", *NK News*, 29 January 2020.

People's Republic of Korea, including by foiling an arms-smuggling plot by a national of the Democratic People's Republic of Korea.

75. In response to the Panel's enquiry, Czechia replied that between 2012 and 2013 a Secretary in the Economic and Commercial Section of the Embassy of the Democratic People's Republic of Korea in Czechia and a Secretary in the Economic and Commercial Section of the Embassy of the Democratic People's Republic of Korea in another European Union member State sought to identify in which European Union member States T-54 and T-55 engines, spare parts for BMP-2, BRDM and BTR armoured vehicles, spare parts for jets and reconnaissance unmanned aerial vehicles were available. Czechia cooperated with foreign partners in uncovering those activities in the preparatory phase; there was no infringement of United Nations sanctions.

76. Another European Union member State replied that Hong Yong Su, then First Secretary for Commerce and Trade of the Embassy of the Democratic People's Republic of Korea in that country, endeavoured to procure arms spare parts with the purpose of shipping them to a country in Africa.

77. According to the assessment of a Member State, Mr. Hong was or is a member of the Reconnaissance General Bureau (KPe.031) of the Democratic People's Republic of Korea. It is believed that Mr. Hong was in Nigeria in January 2020. The Panel has not yet received a reply from Nigeria.

#### *Gold smuggling between the Islamic Republic of Iran and the United Arab Emirates*

78. Concerning the gold and cash smuggling between Tehran airport and the airport of Dubai, United Arab Emirates, by officials in the Embassy of the Democratic People's Republic of Korea in Tehran (see annex 30 and [S/2020/151](#), para. 108), the Panel obtained information that three Iranian nationals in the United Arab Emirates, who are suspected of involvement in this smuggling ring, possess multiple bank accounts in China and Bulgaria under their names and those of their family members. China replied that: "Two of three individuals once opened accounts in China. Until November 2018, all their accounts had been closed. These individuals and their accounts and transactions are not related to any individuals or entities designated by the Security Council and has nothing to do with the DPRK." Bulgaria replied that those Iranians owned several companies and bank accounts in Bulgaria. The Panel has yet to receive a reply to its enquiry from the three Iranian nationals.<sup>60</sup>

#### *Military cooperation in the Syrian Arab Republic*

79. According to a Member State, in August 2019 technicians of the Democratic People's Republic of Korea conducted work at a Syrian SA-3 (S-125) surface-to-air missile unit in the Syrian Arab Republic. The Panel has not received a reply to its enquiry from the Syrian Arab Republic.

#### *3M and DuPont*

80. According to a media report,<sup>61</sup> some quarantine workers of the Democratic People's Republic of Korea were shown in Korean Central Television footage in March 2020 wearing 3M hazmat suits, including what appear to be the 3M Chemical Protective Coverall 4570 and the 3M Disposable Protective Coverall 4510, as well as two different models of DuPont Tyvek hazmat suits (see figures V and VI).

<sup>60</sup> Mohammad Mehrchian (date of birth: 23 February 1969), Mohsen Fahad (date of birth: 5 June 1981) and Heidar Saheh (or Saheb) Farajidana (Faraji-Dana) (date of birth: 23 September 1976).

<sup>61</sup> Jeongmin Kim, "North Korean quarantine workers wearing U.S.-brand protective suits: state media", *NK News*, 19 March 2020.

81. In response to the Panel's enquiry, both 3M and DuPont replied that they were unable to verify whether the coveralls shown were their genuine products and emphasized that they were in compliance with the domestic law and did not export their products to sanctioned countries (see annexes 31 and 32).

Figure V

**Quarantine workers of the Democratic People's Republic of Korea wearing what appears to be a 3M Protective Coverall 4570**



Source: Korean Central Television.

Figure VI

**A public health worker of the Democratic People's Republic of Korea wearing what appears to be a DuPont Tyvek protective suit**



Source: Sogwang and DuPont Tyvek catalogue.

### Misuse of embassy properties

82. The Panel investigated attempts to use Democratic People's Republic of Korea diplomatic property for revenue generation in violation of paragraph 18 of Security Council resolution 2321 (2016), by which the Council decided that all Member States shall prohibit the Democratic People's Republic of Korea from using real property

that it owns or leases in their territory for any purpose other than diplomatic or consular activities.<sup>62</sup>

#### *Germany*

83. The Panel investigated for several years the illicit activities for generating illegal revenues by the Embassy of the Democratic People's Republic of Korea in Germany. In response to the Panel's enquiries, Germany confirmed that the Berlin Administrative Court had upheld the order to close the City Hostel located at the Embassy's premises (see annex 33), and since the beginning of May 2020 the hostel has ceased operation.

#### *Poland*

84. The Panel requested information from Poland concerning reports that some commercial entities continued the commercial use of the diplomatic properties of the Democratic People's Republic of Korea. In its reply, Poland explained that as a result of a coordinated inter-agency approach, commercial use of the diplomatic premises of the Democratic People's Republic of Korea no longer took place.

#### *Romania*

85. The Panel has requested an update and additional information from Romania about the lease of the embassy property of the Democratic People's Republic of Korea to IMA Partners SRL. The Panel has yet to receive a reply. Romania previously provided information on the amendment of its internal sanctions instruments in order to impose a fine.

#### *Bulgaria*

86. The Panel requested information from Bulgaria on the basis of data and images suggesting that the company that owned the "Terra Residence" still rented what appeared to be the former Ambassador's residence, which had been investigated by the Panel. Also, a company called "Lora Catering" (see annex 34) was advertised as operating at that address. Bulgaria asked for additional time for the required investigation owing to the COVID-19 pandemic.

### **Recommendation**

**87. The Panel recommends that Member States be alert to possible efforts by the Democratic People's Republic of Korea diplomatic missions to use their property for extracting illegal revenues.**

### **Implementation of luxury goods ban**

88. The Panel notes that the Democratic People's Republic of Korea continued its efforts to obtain luxury goods in circumvention of the prohibition set out in paragraph 8 (a) (iii) of resolution 1718 (2006). The Panel has also obtained new information concerning previous investigations.

89. The closure of borders and trade channels, including black market channels, for much of the first half of 2020 limited opportunities for the Democratic People's Republic of Korea to import luxury items. The reported decision of Democratic People's Republic of Korea authorities to limit imports of "non-essential goods",

<sup>62</sup> See S/2018/171, paras. 203–210, for the Panel's previous reporting.

including electronic items,<sup>63</sup> also prevented commercial entities from bringing in luxury items for retail, leaving the only window to do so under special permissions, reserved for goods for consumption by the highest echelons of power in the Democratic People's Republic of Korea, in most cases involving designated entities.

90. The Panel's investigations show that the country retains the ability to obtain luxury automobiles, often through elaborate supply chains, despite the fact that most manufacturers' compliance programmes<sup>64</sup> are intended to prevent trade with the Democratic People's Republic of Korea. For example, according to information received from a Member State, in 2020 the Democratic People's Republic of Korea continued attempts to import Mercedes-Benz S-Class limousines using companies based in third countries.

#### *Audi*

91. The Panel has received information concerning the presence of Audi cars in the Democratic People's Republic of Korea, including an image of an Audi car in the mountain resort of Masikryong, reserved for the use of very important persons (see annex 35). The manufacturer informed the Panel that that Q7 model had been produced from 2012 to 2015 and that it could not trace that particular vehicle (see annex 36). The Panel is aware, however, of the considerable presence of Audi cars in the Democratic People's Republic of Korea.

#### *Mercedes-Benz*

92. Continuing its investigation of the case of the illegal importation into the Democratic People's Republic of Korea of two Mercedes-Benz S-Class 600 Sedan Long Guard VR9 vehicles, the Panel obtained further information concerning the chain of supply (see annex 37). European Cars & More informed the Panel of its dealings with Logistica & Spedizioni, which was behind the shipping of the vehicles out of the European Union (see annex 38). The former disclosed that it had also sold to Logistica a number of luxury cars of the brands observed being used by leaders of the Democratic People's Republic of Korea (see annexes 39 and 40). The latter has not responded to the Panel's enquiries.

#### *Toyota*

93. The Panel has noted the publicly available images of leaders of the Democratic People's Republic of Korea using Lexus Luxury Sedan (LS) 460L and Japanese Lexus LX 570 vehicles and a Toyota Coaster bus as a mobile office. According to the information received from Toyota Motor Corporation, the Lexus LS model was produced in Japan from October 2009 to June 2012. Toyota stated that it did not manufacture any armoured versions of the Lexus LS or otherwise customize the Lexus LS model specifically for the purpose of the vehicles being armoured by a third party.

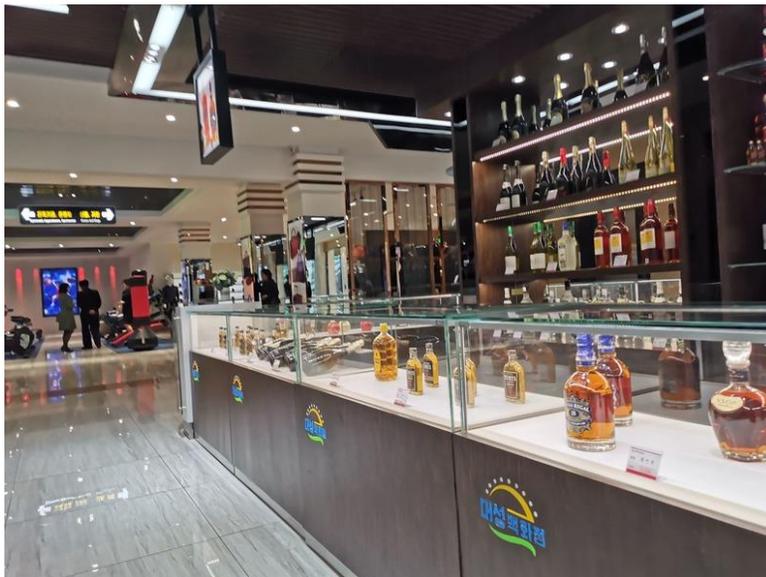
94. According to information available to the Panel, shipments to the Democratic People's Republic of Korea of alcoholic beverages – whisky, cognac, brandy, vodka, wine and beer (not all Member States classify the same alcoholic beverages as luxury goods) – since the start of 2020 were irregular.

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<sup>63</sup> Jeong Tae Joo, "N. Korea announces all 'trivial' imports restricted until end of year", *Daily NK*, 23 April 2020.

<sup>64</sup> Including the compliance programmes of the manufacturers of the vehicles investigated.

Figure VII  
**Imported alcoholic beverages on sale in “Daesong Department Store” in Pyongyang**



Source: Koryo Tours.

95. The Panel continued its enquiries concerning Dalian Myunghae International Trade Co. Ltd.<sup>65</sup> According to a Member State, the company has previously been involved in the supply of luxury goods to the Democratic People’s Republic of Korea. An open-source report<sup>66</sup> records that the company has focused on the Democratic People’s Republic of Korea market, and the company’s owners have a record of operations involving designated vessels and prohibited trade with the Democratic People’s Republic of Korea. The company, as well as certain subunits based at Dalian Myunghae’s registered address, imported goods, including brand-name items and electronics, for possible re-export to the Democratic People’s Republic of Korea. No answer was received from the company. China replied that on the basis of information provided by the Panel of Experts, no violation was found.

96. Singapore informed the Panel about further court proceedings in the cases concerning illegal supplies of luxury items with the involvement of the Singaporean companies “T Specialist” and “OCN” to Bugsae Shop in the Democratic People’s Republic of Korea, investigated by the Panel (see [S/2019/171](#), paras. 142–144 and annex 72, and [S/2020/151](#), paras. 157 and 161–162), including relevant verdicts (see annexes 41 and 42).

### Recommendations

97. **The Panel reiterates its recommendation that the Committee prepare a more detailed list of prohibited luxury goods (where possible, with specific Harmonized System commodity codes) for consideration by the Council.**

<sup>65</sup> Address: Suite 2102 (or, according to other available information, 202) at the Wen Yuan Hotel, Zhongshan District, Dalian, Liaoning Province, China.

<sup>66</sup> Helen Koo, Edmund Xu and Samuel Rubinfeld, “Beer shipments uncap multi-million dollar North Korea trade network: how a multinational trade network defied U.N. sanctions and moved millions”, *Kharon*, 26 April 2020. Available at [https://brief.kharon.com/updates/beer-shipments-uncap-multi-million-dollar-north-korea-trade-network/?utm\\_medium=email&\\_hsmi=87215898&\\_hsenc=p2ANqtz-9u2KEsSaVxyJtmKD0HIRAD9u87XBmp-lTuCOKD3kcKUTckluePmEkRq2VJcAfrKFD7iqHY&utm\\_content=87215898&utm\\_source=hs\\_email](https://brief.kharon.com/updates/beer-shipments-uncap-multi-million-dollar-north-korea-trade-network/?utm_medium=email&_hsmi=87215898&_hsenc=p2ANqtz-9u2KEsSaVxyJtmKD0HIRAD9u87XBmp-lTuCOKD3kcKUTckluePmEkRq2VJcAfrKFD7iqHY&utm_content=87215898&utm_source=hs_email).

98. **The Panel reiterates its recommendation that Member States encourage their business entities and nationals exporting luxury goods to include a contractual provision to prevent resale to sanctioned jurisdictions.**

99. **The Panel reiterates its recommendation that Member States harmonize their export control lists to reflect the list of prohibited luxury goods.**

100. **The Panel reiterates its recommendation that Member States and relevant organizations encourage shipping and transportation companies to provide thorough systems for checking consignees, bearing in mind the risk of trans-shipment.**

#### **Designated entities and individuals**

##### **Korea Mining Development Trading Corporation (KPe.001) representatives in the Islamic Republic of Iran**

101. A Member State informed the Panel that representatives of the Korea Mining Development Trading Corporation, Ha Won Mo and Kim Hak Chol, were both in the Islamic Republic of Iran as of the beginning of 2020 (see [S/2020/151](#), para. 106). Mr. Kim continues to use passport No. 108210148, but Mr. Ha now appears to be using passport No. 108210147 instead of passport No. 836310022 (*ibid.*, annex 24). The Panel has not received a reply from the Islamic Republic of Iran.

##### **Mansudae Overseas Project Group of Companies (KPe.050) (Mansudae)**

###### *China*

102. The Panel enquired of Xi'an Ronghuang Cultural Media Co. Ltd.<sup>67</sup> about the possession of the Mansudae artworks exhibited in Hong Kong in December 2019 (see [S/2020/151](#), para. 102). An individual, "Jin", replied that he/she had leased the artwork, and had not purchased Mansudae artworks since August 2017.

###### *Republic of Korea*

103. To the Panel's enquiry, the Republic of Korea replied that concerning the Mansudae artwork seized at Incheon airport, which had been purchased by some members of the World Federation of Korean Association of Commerce during its visit to Pyongyang in November 2018 (see [S/2019/691](#), para. 40), the authority had conducted investigations on some members "on charges of having violated domestic law [of the Republic of Korea]". After the investigation, some members were prosecuted and fined. The Republic of Korea also replied that, in accordance with its Criminal Procedure Act, the additional ruling in each case cannot be disclosed.

###### *Namibia*

104. Concerning the multiple re-entries into Namibia of Kim Tong Chol, the former representative of "M.O.P. Architectural & Technical Service (Namibia)", a Mansudae subsidiary in Namibia, Angola informed the Panel that Mr. Kim had entered Angola from Ethiopia on 8 August 2018 with an official visa and service passport and had left for Namibia on 24 August 2018 (see annex 44). In January 2020, Namibia informed the Panel that the Democratic People's Republic of Korea had contacted Namibia to propose the sale into a trust fund controlled by Namibia of the two pieces of real estate that had been frozen by Namibian authorities as they had been owned by the subordinate of Mansudae in Namibia. The Panel requested Namibia to provide

<sup>67</sup> Name in Chinese: 西安荣皇文化传媒有限公司. Address: Building 1, Pioneer Plaza, No. 48, Keji Road, High-tech Zone, Xi'an, Shaanxi Province, China.

further information, recalling that the purpose of Mr. Kim revisiting was for the sale of those properties (see [S/2019/691](#), para. 35).

*Statue construction in Benin and Guinea*

105. The Panel obtained information on possible construction projects of bronze statues in Benin and Guinea in which Mansudae could be involved using obfuscated identification (see annex 45).

**Munitions Industry Department (KPe.028)**

106. The Panel continued its investigation into illegal activities of the designated Munitions Industry Department, a policy and oversight organization for nuclear and missile programmes of the Democratic People's Republic of Korea, including the dispatch abroad of information technology and other workers through trading corporations subordinate to it.<sup>68</sup> According to a Member State, workers dispatched by the Munitions Industry Department entered multiple countries in 2019 for the purposes of work and remained there in 2020 in violation of relevant resolutions, often aided by diplomatic missions of the Democratic People's Republic of Korea.<sup>69</sup>

*Information technology workers in China*

107. On the basis of information from a Member State, the Panel investigated four different groups of information technology workers from the Democratic People's Republic of Korea operating in Yanji, Jilin Province, China. According to the information, all of the groups are subordinate to the Munitions Industry Department, the workers remained within China as of early 2020, in violation of relevant resolutions, and two groups were closely linked to a company named Yanji Silver Star Network Science and Technology Co. Ltd. (Yanji Silver Star).<sup>70</sup>

108. According to the information, the first group of 16 workers was located in the Yanji Development Zone Science and Technology Industrial Park, almost certainly worked for Yanji Silver Star and earned nearly \$1 million in 2019. The second group was composed of 15 workers relocated from Cambodia to north-east China in January 2020, sponsored by Yanji Silver Star for their entry into China.<sup>71</sup> The third group was led by Kim Ryu Song, the chief of a delegation of information technology workers subordinate to the Munitions Industry Department, who maintained seven workers in his team and also had control over another five-person team, which both remained in China as of early 2020. The fourth team, of seven information technology workers, led by Kwon Kwang Ho, arrived in Yanji in August 2019 and remained there as of early 2020.

109. To the Panel's enquiries, China replied that it "has faithfully implemented the provision of Security Council's resolution on repatriating all DPRK nationals earning income abroad. All DPRK nationals' employment contracts in China had expired by 22 December 2019. China has also submitted reports on the implementation of

<sup>68</sup> See annex 46 for the list of Democratic People's Republic of Korea trading corporations subordinate to the Munitions Industry Department.

<sup>69</sup> For Member State information on the modus operandi of Democratic People's Republic of Korea information technology workers in China and the Russian Federation, see annex 47.

<sup>70</sup> The Panel considers Yanji Silver Star Network Technology Co. Ltd. to be an alias of Yanbian Silverstar Network Technology Co. Ltd. (name in Chinese: 延边银星网络科技有限公司), which, according to a Member State, was established by the Munitions Industry Department (see [S/2020/151](#), paras. 123–125). According to the Member State, Yanji Silver Star was the local sponsor for the entry of hundreds of Democratic People's Republic of Korea information technology workers into China in 2019.

<sup>71</sup> According to the Member State, it is very likely that those workers were claiming to be coming to China as students or industrial trainees.

paragraph 8 of Security Council resolution 2397 (2017). China is still investigating the case of DPRK workers in Yanbian Silver Star Network Science and Technology Co. Ltd.” Cambodia has yet to reply.

110. The Panel investigated the company Dalian Xinlu Science and Technology Co. Ltd.<sup>72</sup> on the basis of information from a Member State. According to the information, the company is linked to a Democratic People’s Republic of Korea national, Ma Tong Hyok, allegedly a key information technology manager based in Dalian<sup>73</sup> who was directly involved in bringing additional information technology workers from the Democratic People’s Republic of Korea to China in September 2019 together with Kim Han-su, another China-based Democratic People’s Republic of Korea information technology worker and manager of multiple teams in China. The information stated that “Korea Corporation of Information Technology” was the name of the entity used to dispatch those workers to China, and it was likely that those workers were subordinate to the Munitions Industry Department. The Panel has yet to receive a reply.

111. The Panel investigated the company Jinse Guangmang Ltd. Technology, based in Shenyang,<sup>74</sup> on the basis of information from a Member State that a Democratic People’s Republic of Korea national, Ri Il Jin, who collaborated with an individual based in a third country to fraudulently gain access to information technology freelance work and payment websites, was associated with a specific Shenyang office in which Jinse Guangmang was located. The Panel has yet to receive a reply from the company.

*Other workers subordinate to the Munitions Industry Department in China*

112. According to information from a Member State, Korea Changgwangsan Trading Corporation, a company subordinate to the Munitions Industry Department, dispatched about 500 Democratic People’s Republic of Korea workers to Hunchun Laboni Apparel Co. Ltd.,<sup>75</sup> in Jilin Province, where the workers remained as of March 2020. The Panel has found further corroborating information<sup>76</sup> that in March 2020, workers were operating in a factory building where Democratic People’s Republic of Korea political propaganda posters were attached.<sup>77</sup> The company has yet to reply to the Panel’s enquiry on the presence of Democratic People’s Republic of Korea workers in its factory.

*Information technology workers in the Russian Federation*

113. The Panel investigated three groups of Democratic People’s Republic of Korea information technology workers in the Russian Federation, two of them subordinate to the Munitions Industry Department. According to information from a Member State, a group of approximately 50 workers in Vladivostok earned about \$230,000 in March 2020. The Democratic People’s Republic of Korea nationals Ri Kyong Sik (passport No. 927332193) and Pak Kwang Hyok were the managers, with Ri in charge

<sup>72</sup> In Chinese: 大连欣路科技有限公司.

<sup>73</sup> According to information from a Member State, Mr. Ma has been coordinating with the Democratic People’s Republic of Korea and other information technology managers from the Democratic People’s Republic of Korea in China to send information technology workers temporarily back to the Democratic People’s Republic of Korea and resend them to China for work after resetting their visas and/or obtaining new work permits. The information further stated that Mr. Ma and the teams of Democratic People’s Republic of Korea information technology workers that he has overseen remained in China as of late January 2020, and Mr. Ma has been working with China-based individuals and entities to obtain information technology work.

<sup>74</sup> In Chinese: 沈阳金色光芒科技有限公司.

<sup>75</sup> In Chinese: 珲春拉波尼服饰有限公司.

<sup>76</sup> See [https://www.sohu.com/a/382387060\\_100143758](https://www.sohu.com/a/382387060_100143758) (accessed on 29 July 2020).

<sup>77</sup> Two experts are of the view that this information and any image from the link in the footnote above are speculative and are not conclusive information.

of six teams of software developers. Another group, also subordinate to the Munitions Industry Department, was operating in the Russian Federation as of March 2020 and was led by Jang Ho Yong. The third group, of approximately 15 workers, earned about \$40,000 in February 2020, and the manager of that group is Ri Yong Min, with its address reported as 9 Kyrlaty Pereulok, Vladivostok.

114. To the Panel's enquiry, the Russian Federation replied that while there were several groups of Democratic People's Republic of Korea migrant workers in Primorskiy krai at one point, the majority of persons in that category, including Ri Kyong Sik, Pak Kwang Hyok and Ri Yong Min, had left the Russian Federation by the end of 2019 in accordance with resolution 2397 (2017), but the rest were unable to return to the Democratic People's Republic of Korea after the termination of their employment in the Russian Federation because "transport to and from the Democratic People's Republic of Korea was suspended owing to the coronavirus disease (COVID-19) pandemic". Investigations continue.

*Munitions Industry Department operative in Viet Nam*

115. The Panel investigated various illegal activities of Kim Su Il (date of birth: 4 March 1985; passport No.: 108220348; date of expiry: 18 May 2023), a Munitions Industry Department operative in Viet Nam. According to a Member State, Mr. Kim has been operating as a procurement agent for the Munitions Industry Department since 2016 and is allegedly still based in Ho Chi Minh City, continuing to perform economic, trading, mining and shipping activities associated with the Department's business activities to earn foreign currency for the Democratic People's Republic of Korea. According to the information, as of early 2019, Mr. Kim was responsible for exporting prohibited Democratic People's Republic of Korea-origin coal and titanium ore, the chartering of vessels, and other economic activities in violation of relevant resolutions. The Panel has yet to receive a reply from Viet Nam.

**Reconnaissance General Bureau (KPe.031)**

116. The Panel continued its investigation into cyberattacks reportedly conducted by Democratic People's Republic of Korea cyberactors subordinate to the Reconnaissance General Bureau,<sup>78</sup> such as Lazarus and Kimsuky, including the cyberattacks targeted at critical infrastructure in an attempt to access sensitive dual use technology in violation of relevant resolutions (see S/2020/151, paras. 115–119).

117. Responding to the Panel's inquiry into the attacks against the Kudankulam Nuclear Power Plant, India conveyed the information from its relevant agencies that the malware used to attack the nuclear plant had been identified as "DTrack", a malware reportedly used by Lazarus, and informed the Panel that the malware was being further analysed. Investigations continue. A Member State informed the Panel that a new campaign targeting the aeronautics and defence sectors had been observed in 2020. According to a report published by a cybersecurity firm, Lazarus attackers first contacted employees within multiple target companies through messages from fake LinkedIn accounts, impersonating human resources personnel of other aerospace and defence firms. Investigations continue.<sup>79</sup>

118. According to information from another Member State, at least 28 individuals, including at least 11 officials from six members of the Security Council, became the targets of a spear-phishing campaign in 2020 which appeared to have been conducted

<sup>78</sup> See annex 48 for the roles of the Reconnaissance General Bureau and other organizations in the cyberoperations of the Democratic People's Republic of Korea.

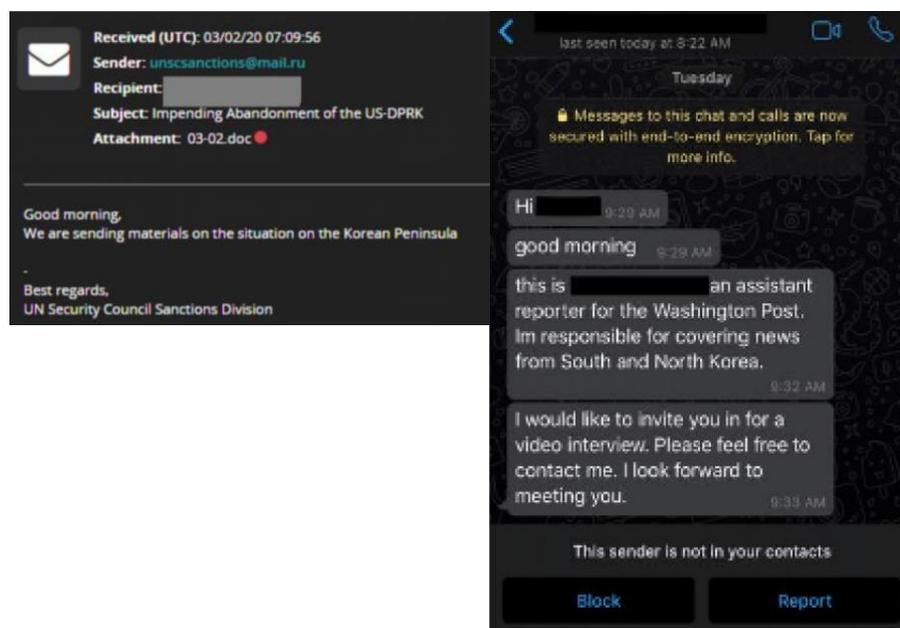
<sup>79</sup> Dominik Breitenbacher and Kaspars Osis, "Operation In(ter)caption: targeted attacks against European aerospace and military companies", ESET Research white paper, June 2020. Available at [https://www.welivesecurity.com/wp-content/uploads/2020/06/ESET\\_Operation\\_Interception.pdf](https://www.welivesecurity.com/wp-content/uploads/2020/06/ESET_Operation_Interception.pdf).

by a Kimsuky advanced persistent threat group. According to the information, these Democratic People’s Republic of Korea cyberactors launched a “security alert”-themed spear-phishing campaign in mid-March against Gmail accounts of the targeted individuals by placing malicious links in the email, utilizing a link to bypass spam blockers of the potential victims. The investigation continues.

119. The Member State further reported that the Democratic People’s Republic of Korea cyberthreat actors consistently targeted its officials with a variety of cyberoperations, and throughout March and early April 2020 more than 40 official email addresses belonging to an executive branch became the targets of spear-phishing messages; Democratic People’s Republic of Korea cyberactors have also targeted the personal WhatsApp accounts of its officials (see figure VIII).<sup>80</sup>

Figure VIII

**A spear-phishing email and a WhatsApp message sent to officials of a Member State**



Source: Member State.

120. Cyberattacks against the Panel continued. An expert received a phishing email with a fake security alert from the United Nations, and multiple experts received an email in which the attacker spoofed as a member of the editing staff of a journal soliciting an article from experts. The Panel notes the similar cyberattacks against the expert community on the Democratic People’s Republic of Korea in 2020.<sup>81</sup>

121. The Panel reiterates its view that cyberattacks, both past and ongoing, against such United Nations bodies as the Committee and the Panel, which are mandated to monitor the implementation of United Nations sanctions, amount to sanctions evasion, considering the persistent and highly disruptive nature of the attacks.

<sup>80</sup> The Member State further informed the Panel that Democratic People’s Republic of Korea cyberactors had targeted individual employees of its government branch and “have pursued certain individuals throughout the ‘lifetime’ of their career”.

<sup>81</sup> See, for example, Min Chao Choy, “Phishing emails targeting North Korea watchers grow increasingly sophisticated”, *NK News*, 1 July 2020. <https://www.nknews.org/2020/07/phishing-emails-targeting-north-korea-watchers-grow-increasingly-sophisticated/?t=1595471041622>.

**Democratic People's Republic of Korea nationals earning income overseas**

122. The repatriation of nationals of the Democratic People's Republic of Korea earning income, pursuant to paragraph 8 of resolution 2397 (2017), should have been completed by December 2019. Some countries reported to the Committee delays in repatriation because of the measures in response to COVID-19 in late January 2020. It was also reported that in late 2019 and early 2020 there had been an increase in the issuance of non-working visas (see S/2020/151, paras. 145–147) and of new contracts to dispatch nationals of the Democratic People's Republic of Korea. On the basis of the Panel's review, obligations in the resolutions were not fully implemented in a number of cases. The Panel reiterates the importance of ensuring compliance of vigilance in screening all nationals of the Democratic People's Republic of Korea and including in implementation reports to the Committee substantive information. The Panel has been investigating suspected cases of nationals of the Democratic People's Republic of Korea earning income overseas in violation of relevant resolutions, regardless of visa categories or the stated primary purpose of entry.

*Member State reporting*

123. As of July 2020, about 40 Member States had submitted final reports due in March 2020, and fewer than 50 Member States had submitted midterm reports due in March 2019 (see figure IX). In addition, Angola, Armenia, Belarus, Chile, Egypt, the Lao People's Democratic Republic, Latvia, Myanmar, Nepal, New Zealand, Peru, Saint Vincent and the Grenadines and Serbia submitted reports without specifying whether they were final or midterm reports. Reports of China, the Lao People's Democratic Republic, Mongolia and Thailand<sup>82</sup> were not published. Algeria, Malta, Mozambique, Panama and Tunisia included information regarding the repatriation in other implementation reports.

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<sup>82</sup> Thailand published its final report.

Figure IX

**Countries that have not submitted reports pursuant to paragraph 8 of Security Council resolution 2397 (2017)**

<b>Africa Group</b>	<b>Asia-Pacific Group</b>	<b>Western European Group</b>
Algeria*	Afghanistan	Andorra
Benin	Bahrain	Greece
Botswana	Bangladesh	Iceland
Burkina Faso	Bhutan	Israel
Burundi	Brunei Darussalam	Malta*
Cabo Verde	Cambodia	Monaco
Cameroon	Cyprus	Portugal
Central African Republic	Fiji	San Marino
Chad	Iran	
Comoros	Iraq	<b>Latin American and Caribbean Group</b>
Congo	Jordan	Antigua and Barbuda
Côte d'Ivoire	Kazakhstan	Argentina
Democratic Republic of the Congo	Kiribati	Bahamas
Djibouti	Kyrgyzstan	Barbados
Eritrea	Lebanon	Belize
Eswatini	Maldives	Bolivia
Ethiopia	Marshall Islands	Colombia
Gabon	Micronesia	Costa Rica
Gambia	Nauru	Cuba
Ghana	Oman	Dominica
Guinea	Palau	Dominican Republic
Guinea-Bissau	Papua New Guinea	Ecuador
Kenya	Philippines	El Salvador
Lesotho	Samoa	Grenada
Liberia	Saudi Arabia	Guatemala
Libya	Solomon Islands	Guyana
Madagascar	Syrian Arab Republic	Haiti
Malawi	Tajikistan	Honduras
Mali	Timor-Leste	Jamaica
Mauritania	Tonga	Nicaragua
Mauritius	Turkmenistan	Panama*
Morocco	Tuvalu	Paraguay
Mozambique*	Uzbekistan	Saint Kitts and Nevis
Namibia	Vanuatu	Saint Lucia
Niger	Yemen	Suriname
Rwanda		Trinidad and Tobago
São Tomé and Príncipe	<b>Eastern European Group</b>	Uruguay
Senegal	Albania	Venezuela
Seychelles	Bulgaria	
Sierra Leone	Croatia	
Somalia	Czech Republic	
South Africa	Georgia	
South Sudan	Hungary	
Sudan	Lithuania	
Togo	Montenegro	
Tunisia*	North Macedonia	
Uganda	Republic of Moldova	
United Republic of Tanzania	Slovakia	
Zambia	Slovenia	
Zimbabwe		

Note: countries with asterisk (\*) stated partial information on repatriation in other implementation reports.

124. Not all reports contained substantive information, such as the numbers of repatriated workers, actions taken by Member States and difficulties that Member States faced in complying with the repatriation requirement.<sup>83</sup> Some 10 Member States reported only on the revocation of work permits instead of actual repatriation, or stated that there were no nationals of the Democratic People's Republic of Korea earning income because no work permits had been granted. The Panel has been requesting clarification from Member States on the basis of the concern that nationals of the Democratic People's Republic of Korea may in fact earn income without having a work permit or while staying on a non-working visa.<sup>84</sup> Italy, in its implementation report, noted that no repatriation measures were deemed impossible on the two remaining individuals, in line with applicable national and international law (see [S/AC.49/2020/15](#)). In their reports ([S/AC.49/2020/21](#) and [S/AC.49/2020/30](#)), the Russian Federation and Viet Nam stated that it had not been possible to complete repatriation because of the border closure by the Democratic People's Republic of Korea in response to COVID-19.

125. Various countries took legal action. For example, Estonia amended its legislation to establish the legal basis for refusal of a temporary residence permit if prescribed by an international sanction (see [S/AC.49/2020/12](#)). Thailand imposed measures to address illegally working nationals of the Democratic People's Republic of Korea (see [S/AC.49/2020/20](#)).

#### *Soccer players in Europe*

126. Italy replied to the Panel that one of the two soccer players (see [S/2020/151](#), para. 132), Han Kwang Song, exited Italy in January 2020, whereas as of July 2020, the other player, Choe Son Hyok, was in Italy owing to the suspension of international flights. According to Italy, Mr. Han received approximately €520,000 gross per annum from Juventus Football Club from 2018 to the first half of January 2020. Mr. Choe received approximately €20,000 gross per annum from Società Sportiva Arezzo until January 2020. Italy reiterated issues of legal challenge regarding the scope of the European Union sanctions regulation<sup>85</sup> and powers under domestic law to enable repatriation. Mr. Han was transferred from Juventus to al-Duhail in Qatar in January 2020. According to documents, Juventus and al-Duhail agreed the transfer of Mr. Han in January 2020. Although the Panel contacted Italy and Qatar on Mr. Han's transfer immediately after the announcement, the transfer has not been cancelled and Juventus claimed the transfer fee payment from al-Duhail. According to the five-year contract, al-Duhail is paying a total of €4,310,000 to Mr. Han, and from February to April 2020 he received €270,000 (see annex 49). As of July 2020, Mr. Han is still playing in Qatar. According to Qatar, there is no other player of the Democratic People's Republic of Korea at al-Duhail. The Panel reiterated to Qatar the relevant resolutions concerning the case.

127. Pak Kwang Ryong was listed as a team member of the Austrian soccer club Sportklub Niederösterreich St. Pölten, as indicated on the club's website as of June 2020 (see annex 50). Austria replied to the Panel that Mr. Pak is currently in Austria, and his work contract with St. Pölten expired on 5 July 2020 and was not to be extended. Austria

<sup>83</sup> To address this issue, the Panel previously recommended an implementation assistance notice on the reporting obligation. Some Member States shared their working draft for an implementation assistance notice to support the implementation of measures in the resolutions. Committee deliberations are confidential.

<sup>84</sup> For example, Singapore clarified to the Panel in a letter dated 10 July 2020 that "there are currently zero DPRK nationals holding long-term residence permits (i.e. for stay, study, or work) in Singapore".

<sup>85</sup> In its implementation report pursuant to paragraph 17 of resolution [2397 \(2017\)](#) ([S/AC.49/2018/60](#)), Italy listed decision 2018/293 of the Council of the European Union as one of the bases for the repatriation obligation.

further stated that “due to the COVID-19 pandemic all DPRK borders [were] closed and it [was] currently not possible to travel to North Korea”. According to the final report of Austria, submitted in July 2020 (S/AC.49/2020/43), six cases were scrutinized and repatriation procedures were initiated, with relevant appeals proceedings pending.

*Medical workers in Africa and South America*

128. Angola replied to the Panel that it had renounced bilateral health-care cooperation and repatriated doctors of the Democratic People’s Republic of Korea and their families (see S/2020/151, para. 133). Angola further replied that between November 2019 and February 2020, it had repatriated 296 nationals of the Democratic People’s Republic of Korea and established a new legal framework (see annex 51).

129. The Panel investigated agreements to invite medical workers of the Democratic People’s Republic of Korea to Ecuador. The Panel received a reply from the Pichincha provincial government that three acupuncturists and three translators were working at a private company, but the contract was supposed to end by May 2020 (see annex 52).

130. Mozambique replied to the Panel that Dr. Jong Il Son, assigned to Pemba Provincial Hospital for medical cooperation, had used his residence as a private clinic without government authorization (see S/2020/151, para. 134). The Government closed the clinic, terminated his contract and repatriated him. According to Mozambique, as of March 2020, 97 doctors of the Democratic People’s Republic of Korea worked in Mozambique, based on bilateral medical cooperation. Although medical exchange is not prohibited by the relevant resolutions, Mozambique decided to cancel the exchange and reduce the number of those doctors (see annex 53).

*Overseas restaurants*

131. Thailand reported that, in addition to revoking the work permits of 24 nationals of the Democratic People’s Republic of Korea, “on 29 November 2019, the Thai authorities conducted on-site inspections of three Korean restaurants and found six illegal workers of the Democratic People’s Republic of Korea in one of the restaurants.<sup>86</sup> All of them were arrested on charges of illegally working and fined. They were deported to the Democratic People’s Republic of Korea on 6 December 2019” (see S/AC.49/2020/20).

132. A Member State informed the Panel about the closure of a restaurant in Indonesia. The Panel noted media reports on the closure of “Pyongyang Restaurant”. According to another media report, the Indonesian authority has launched an investigation into a restaurant that is allegedly being used by the Reconnaissance General Bureau. Indonesia replied to the Panel that the restaurant had closed in 2017.

133. The Panel continued its investigation of restaurants in the Lao People’s Democratic Republic. As of May 2020, one of the restaurants, Pyongyang Restaurant (registered as Pyngyang Restaurant) was registered as active on the Lao National Enterprise Database. The restaurant is collocated with an information technology company, Lao Tosho, and both of them were registered under the name of the same individual, Pak Yun Il (Pak Yunil). Media reported that this restaurant continues operations as a new restaurant located near the original location. The suspected restaurant had been registered on 13 January 2020 under a different name and director. The Lao People’s Democratic Republic reported that all 28 nationals of the Democratic People’s Republic of Korea who had entered the Lao People’s Democratic Republic, including Pak, were repatriated, providing a list of the repatriated individuals.

<sup>86</sup> Haemaji Restaurant (see S/2020/151, para. 141).

*New contracts in 2019 and 2020*

134. According to a Member State, Korea Namgang General Construction Corporation, subordinate to the Namgang Trading Corporation, which arranges for the dispatch of workers of the Democratic People's Republic of Korea, was involved in multiple construction projects in the Syrian Arab Republic in 2018 and 2019. In October 2019, a Syrian company requested counterparts of the Democratic People's Republic of Korea to send more than 800 labourers to the Syrian Arab Republic for construction. One entity of the Democratic People's Republic of Korea suspected to be involved in this case is Korea Haeyang Industrial Trading Corporation. The Panel has not received a reply from the Syrian Arab Republic.

135. According to a Member State, Shenyang Kumje Hotel Management Co. Ltd.<sup>87</sup> hired 40 nationals of the Democratic People's Republic of Korea in November 2019, and the workers could still be earning income in China. The company that arranged the employment of the workers is the "Korea Ryomyong Technology General Corporation", which is probably subordinate to the Ministry of People's Security of the Democratic People's Republic of Korea and might be using a different name. The Panel has not received a reply from Shenyang Kumje.<sup>88</sup>

136. According to a Member State, "Dandong Manch'o'p Clothing Cooperative Ltd."<sup>89</sup> hired 292 nationals of the Democratic People's Republic of Korea in January 2020 and 190 in August 2019. The counterpart of the Democratic People's Republic of Korea for the employment of the workers was "Korea 51 Trading Company", but this company might be using a different name. Dandong Manch'o'p imported textile material in October 2019 from the Democratic People's Republic of Korea. The Panel has not received a reply from Dandong Manch'o'p.

137. According to a Member State, Jiangsu Hongquan Wenhua Chuanbo Co. Ltd.<sup>90</sup> established a contract with the Democratic People's Republic of Korea and arranged, between September and December 2019, the travel of a group of labourers of the Democratic People's Republic of Korea to China to work on "business ventures" between entities of China and the Democratic People's Republic of Korea. The Member State that provided this information considers that it was probable that the labourers entered China to engage in work in mid-December 2019 as students or on a cultural exchange and were very likely still working in China in several workplaces, including that company. The Member State further informed the Panel that Korean Tangun Trading Corporation (KPe.008) had arranged the employment of those workers; however, a different name, such as "Kuryonggang Trading Corporation", might have been used. The Panel has not received a reply from Jiangsu Hongquan.

*Visa categories*

138. The Panel requested information on the statistics published in April 2020 by the Ministry of Internal Affairs of the Russian Federation indicating that 753 nationals of the Democratic People's Republic of Korea were present in-country for the purpose of

<sup>87</sup> Name in Chinese: 沈阳金际酒店管理有限公司. Address: Shenyang Economic and Technological Development Zone, Shenyang city, Liaoning Province, China.

<sup>88</sup> Two experts are of the view that the information in this paragraph and the two subsequent paragraphs can be further corroborated.

<sup>89</sup> Name in Chinese: 丹东万捷服装有限公司. Address: 3-1-1 Jinhua Road, Zhenxing District, Dandong city, Liaoning Province, China.

<sup>90</sup> Name in Chinese: 江苏泓泉文化传播有限公司. Address: 305 Taiping South Road, Qinhuai District, Nanjing city, Jiangsu Province, China.

work<sup>91</sup> (see annex 54). To the Panel's enquiry, the Russian Federation replied that the figure in the annex contained errors concerning nationality and the purpose of entry, and that the necessary corrections had been made to the statistical data on the Ministry's official website, which now shows that no one entered the Russian Federation from the Democratic People's Republic of Korea in the first quarter of 2020 for the purpose of "work". The Russian Federation further stated: "Only 160 nationals of the Democratic People's Republic of Korea had work permits valid up to 22 December 2019 (they are now present in the territory of the Russian Federation without valid work visas, work permits or appropriate employment contracts). Their repatriation continues to be blocked by the restrictions imposed by Pyongyang on transport links with other countries on account of the coronavirus pandemic" (see annex 55).

139. The Panel requested information from the United Kingdom of Great Britain and Northern Ireland concerning the possibility of nationals of the Democratic People's Republic of Korea earning income while residing in the United Kingdom as students (Tier 4 visa category, which was not covered in its implementation report). The United Kingdom replied that there are two nationals of the Democratic People's Republic of Korea currently studying in the United Kingdom, and under the Tier 4 visa category students are allowed to work only for limited hours. The United Kingdom further stated that "after taking into account expenditure on course fees and living costs, and the employment restrictions that are attached to a Tier 4 visa, the few DPRK nationals currently studying in the UK are unlikely to be earning a positive net income". Furthermore, to help to prevent the abuse of student visas by foreign nationals to enter the United Kingdom in order to work and earn income, sponsors are required to monitor students holding a Tier 4 visa.

### **Recommendations**

**140. Member States should continue to exercise vigilance in screening all categories of visa applications by nationals of the Democratic People's Republic of Korea, and to exercise vigilance throughout the staying period, in order to prevent the circumvention of the requirement to repatriate nationals of the Democratic People's Republic of Korea earning income overseas.**

**141. As current legal and administrative frameworks did not enable several Member States to implement the obligations pursuant to paragraph 8 of Security Council resolution 2397 (2017), the Panel recommends that, if considered applicable, Member States should take the necessary legal steps, including the amendment of existing legislation or the adoption of new legislation, to enable the implementation of these obligations.**

**142. Noting that in paragraph 8 of resolution 2397 (2017) the Security Council required Member States to submit final reports by March 2020, the Panel reiterates its recommendation that Member States submit implementation reports pursuant to the requirement in that paragraph and encourages each Member State to include substantive information in its implementation report.**

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<sup>91</sup> According to the official statistics, a total of 1,596 visas were newly issued to nationals of the Democratic People's Republic of Korea between January and March 2020, 3,067 nationals of the Democratic People's Republic of Korea were present for the purpose of tourism and 1,975 were present for the purpose of study. In the revised data, the section relating to the numbers of nationals of the Democratic People's Republic of Korea staying for work is blank.

## V. Finance

143. On the basis of information provided by Member States, documents obtained through the Panel's investigations and open-source material, the Panel assesses that the Democratic People's Republic of Korea continues to access international financial systems through joint ventures, offshore accounts, shell companies and the use of virtual assets (for example, cryptocurrencies). A review of the Panel's previous reports and ongoing investigations show that Democratic People's Republic of Korea-linked entities and individuals continue to use small and medium-sized banks in East and South-East Asia, which provide broader access to international correspondent banking.<sup>92</sup> This issue is further compounded by Member States inadequately addressing their domestic corporate registration rules, which has allowed the Democratic People's Republic of Korea to continue to hide behind opaque corporate structures. Such loopholes make compliance and "know your customer" onboarding processes and procedures at financial institutions practically impossible.

### *Sanctions evasion through cybermeans*

144. According to several Member States, as well as open-source reports, the Democratic People's Republic of Korea continues to target virtual asset service providers (for example, cryptocurrency exchange houses) and financial institutions for the purpose of evading United Nations sanctions. There has been an overall decline in reporting on cyberattacks against financial institutions, but the Panel cannot assess whether this lack of reporting is the result of a reduction in attacks or the inability of Member States and financial institutions to definitively attribute such attacks to the Democratic People's Republic of Korea.

145. One Member State reported that attacks against virtual currency exchange houses have produced more illicit proceeds than attacks against financial institutions, whose information technology infrastructure is typically less susceptible to cyberintrusion. The Panel continues to assess that virtual asset service providers and virtual assets will continue to remain lucrative targets for the Democratic People's Republic of Korea to generate revenue, as well as its mining of cryptocurrencies.<sup>93</sup>

146. As of 2020, Democratic People's Republic of Korea cyberactors have engaged in trading multiple forms of virtual assets, to include the use of several forms of alternative coins ("altcoins").<sup>94</sup> According to a Member State, the Democratic People's Republic of Korea specifically targets anonymity-enhanced cryptocurrencies in order to provide additional layers of security and to frustrate traceability.

147. In its 2019 and 2020 final reports, the Panel highlighted several tactics and techniques that the Democratic People's Republic of Korea uses to illicitly acquire

<sup>92</sup> For an overview of regional concerns from the financial industry's perspective, see Emil Dall and Justine Walker, "Royal United Services Institute-Association of Certified Anti-Money-Laundering Specialists proliferation finance survey", 2020. Available at <https://rusi.org/PFSurvey2020>.

<sup>93</sup> According to one report by a United States-based cybersecurity firm, the Democratic People's Republic of Korea has increased its Monero mining activity at least tenfold since May 2019 (compared to its mining of bitcoin over the same period). Monero is a virtual currency similar to bitcoin but offers additional anonymity-enhanced protocols and does not necessarily require the same high-performance computers in order to mine. See Insikt Group, "How North Korea revolutionized the Internet as a tool for rogue regimes", 9 February 2020, p.3, for Recorded Future Cyberthreat Analysis series. Available at <https://go.recordedfuture.com/hubfs/reports/cta-2020-0209.pdf>.

<sup>94</sup> Altcoins are advertised as alternatives to more well-known cryptocurrencies, like bitcoin, and are generally bought and sold at lower prices. The Democratic People's Republic of Korea is known to have traded in several altcoins, including Flowchain, Eternal Token, Vinci coin, Consentium, Ripple and Tether. Ripple and Tether are also known as "stable coins" (that is, their value is tied to an underlying asset).

cryptocurrency, including sophisticated social-engineering operations, as well as malware exploits (see [S/2019/171](#), paras. 109–115, and [S/2020/151](#), paras. 179–182). One outstanding question, which the Panel is continuing to investigate, is how the Democratic People’s Republic of Korea then launders its virtual assets into a fiat currency.

148. According to information obtained by the Panel, as well as information contained within a Member State’s recent legal proceedings, the Democratic People’s Republic of Korea exploited loosely regulated networks of virtual asset service providers and “over the counter” brokering services in order to convert illicitly obtained virtual assets into a fiat currency (see annex 56). These transactions highlight several vulnerabilities within the global financial system to sanctions evasion activity, including virtual asset service providers with little or no “know your customer” protocols, the lack of regulation in some Member States on “over the counter” brokering services<sup>95</sup> and the lack of transparency in cryptocurrency to fiat currency conversions within financial institutions.

149. The Panel notes Member States’ obligations under the relevant Security Council resolutions to freeze assets, including virtual assets, that are owned or controlled, directly or indirectly, by entities of the Government of the Democratic People’s Republic of Korea or the Workers’ Party of Korea, or by individuals or entities acting on their behalf or at their direction.<sup>96</sup>

*Use of joint ventures and overseas information technology workers*

150. According to several Member States, the Democratic People’s Republic of Korea continued to use joint ventures and/or cooperative entities, as well as overseas workers, to generate revenue to support its prohibited programmes and activities (see paras. 106–115 and 122–139 above).

151. On the basis of information provided by several Member States, open-source reporting and documents obtained by the Panel, the Panel assesses that “Korea Narae Trading Corporation” is engaged in sanctions evasion-related activities for the purposes of generating revenue that supports the prohibited activities of the Democratic People’s Republic of Korea (see annex 57). The Korea Narae Trading Corporation is a Pyongyang-based entity that facilitates the “the acquisition of equipment and technology in various sectors, such as mining and hydrocarbons, in exchange for offering technical labour or work in the field (farming workers), as well as the export of North Korean food products and rare earths, among other products”, according to a Member State. The Panel also found that on at least one occasion, the Korea Narae Trading Corporation used financial accounts linked to the President of the Korea Friendship Association.

*Overseas bank representatives and diplomatic personnel*

152. The Panel continues to investigate overseas bank representatives of the Democratic People’s Republic of Korea.

<sup>95</sup> Over-the-counter brokers help to provide liquidity in cryptocurrency markets by matching buyers and sellers.

<sup>96</sup> Virtual assets are not specifically articulated in paragraph 12 of resolution [2270 \(2016\)](#), in which the Security Council affirmed that “economic resources”, as referred to in paragraph 8 (d) of resolution [1718 \(2006\)](#), includes assets of every kind, whether tangible or intangible, movable or immovable, actual or potential, which potentially may be used to obtain funds, goods or services, such as vessels (including maritime vessels), and consequently Member States may not have the ability to control virtual assets.

## Recommendations

153. **The Panel encourages Member States to implement the Financial Action Task Force standards, with special attention given to recommendation 15, that to manage and mitigate the risks emerging from virtual assets, countries should ensure that virtual asset service providers are regulated for anti-money-laundering and counter-terrorist financing purposes, and licensed or registered and subject to effective systems for monitoring and ensuring compliance with the relevant measures called for in the Financial Action Task Force recommendations.**

154. **The Panel continues to recommend that Member States work to address opaque corporate registration rules and regulations that may afford anonymity to entities of the Democratic People’s Republic of Korea.**

## VI. Unintended impact of sanctions

155. In paragraph 25 of its resolution [2397 \(2017\)](#), the Security Council reaffirmed that United Nations sanctions are not intended to have adverse humanitarian consequences for the civilian population of the Democratic People’s Republic of Korea or to affect negatively or restrict those activities, including economic activities and cooperation, food aid and humanitarian assistance, that are not prohibited by the relevant resolutions, and stressed the primary responsibility and need of the Democratic People’s Republic of Korea to fully provide for the livelihood needs of its people.

156. As the Panel has previously noted, it is difficult to disambiguate United Nations sanctions from other factors, including unilateral sanctions regimes and domestic socioeconomic and political factors, but there can be little doubt that United Nations sanctions have had unintended effects on the humanitarian situation and aid operations within the Democratic People’s Republic of Korea.<sup>97</sup> Additionally, according to a Member State, the Democratic People’s Republic of Korea “government policy lockdown measures – enacted early in response to [COVID-19-related] low capability for health preparedness – have hit the economy in a way that sanctions alone do not appear to have”.

157. The Panel notes that several non-governmental organizations have concerns about United Nations sanctions affecting the civilian population. One concern, for example, is how sanctions may further constrain limited agricultural resources (for example, transportation, machinery and production of fertilizers) and the allocation of financial resources for food imports, leading to reduced food “availability” (that is, decreasing food security). This effect is further compounded by the political priorities of the Democratic People’s Republic of Korea, which have reduced “accessibility” through the redirection of needed resources.

158. According to some assessments, sectoral sanctions may result in negative social and economic consequences for those employed in those sectors, including loss of income.<sup>98</sup> The extent of this effect, however, is largely unknown as there is no accurate compilation of economic data and the fiscal and monetary policy priorities of the Democratic People’s Republic of Korea may also have a significant impact. There is also a concern about lost wages for repatriated workers, especially those who may have been affected by COVID-19-related quarantine measures.

<sup>97</sup> For the Panel’s most recent reporting, see [S/2020/151](#), sect. VI.

<sup>98</sup> Special Rapporteur on the situation of human rights in the Democratic People’s Republic of Korea, media statement, Geneva/Seoul, 9 June 2020. <https://www.ohchr.org/EN/NewsEvents/Pages/DisplayNews.aspx?NewsID=25929&LangID=E>.

159. COVID-19-related measures affected imports of essential goods and the operations of humanitarian organizations (see annexes 60 and 61).

160. The concern of financial institutions and private-sector entities over compliance with sanctions regimes continued to affect humanitarian operations. The efforts to restore the banking channel for United Nations humanitarian organizations in the Democratic People's Republic of Korea and provide access to consistent and reliable financing continued with marginal progress owing to the pandemic, jeopardizing supply chain operations and also creating risky situations for humanitarian personnel.

161. Despite challenges associated with COVID-19 during this period, the Security Council Committee established pursuant to resolution [1718 \(2006\)](#) has accelerated the exemption process for COVID-19-related humanitarian assistance by using a two-day decision-making procedure. Also, on an exceptional basis, the Committee has granted exemptions for longer time frames, from the standard six months to up to one year. In order to assess the impact of COVID-19 on humanitarian organizations operating within the Democratic People's Republic of Korea, the Panel surveyed 37 organizations, including United Nations humanitarian organizations and non-governmental organizations, and awaits replies (see annex 61).

### **Recommendations**

**162. The Committee should continue its efforts for the prompt resumption of a stable banking channel for humanitarian activities by identifying several options for bank transfers.**

**163. The Panel notes the usefulness of biannual briefings by the relevant United Nations entities on the unintended impact of sanctions on the civilian population and on their operations within the Democratic People's Republic of Korea and recommends that the Committee continue this practice.**

**164. The Panel recommends that the Security Council continue to address issues and processes that affect the mitigation of the unintended adverse impacts of sanctions on the civilian population of the Democratic People's Republic of Korea and on humanitarian aid operations to benefit the vulnerable population of the Democratic People's Republic of Korea and overcome the consequences of the COVID-19 pandemic.**

**165. The Committee should continue to streamline the processes and procedures for applying for exemptions under the terms of Implementation Assistance Notice No. 7, as well as updating the Implementation Assistance Notice when appropriate.**

## **VII. National implementation reports**

### **Status of Member State reporting on the implementation of relevant resolutions**

166. As at 31 July 2020, 61 Member States had submitted reports on the implementation of paragraph 8 of resolution [2397 \(2017\)](#), 80 Member States had submitted reports on the implementation of paragraph 17 of resolution [2397 \(2017\)](#), 94 Member States had submitted reports on the implementation of resolution [2375 \(2017\)](#), 90 Member States had submitted reports on the implementation of resolution [2371 \(2017\)](#), 107 Member States had submitted reports on the implementation of resolution [2321 \(2016\)](#) and 115 Member States had submitted reports on the implementation of resolution [2270 \(2016\)](#).

## **VIII. Recommendations**

167. For a consolidated list of recommendations, see annex 62.

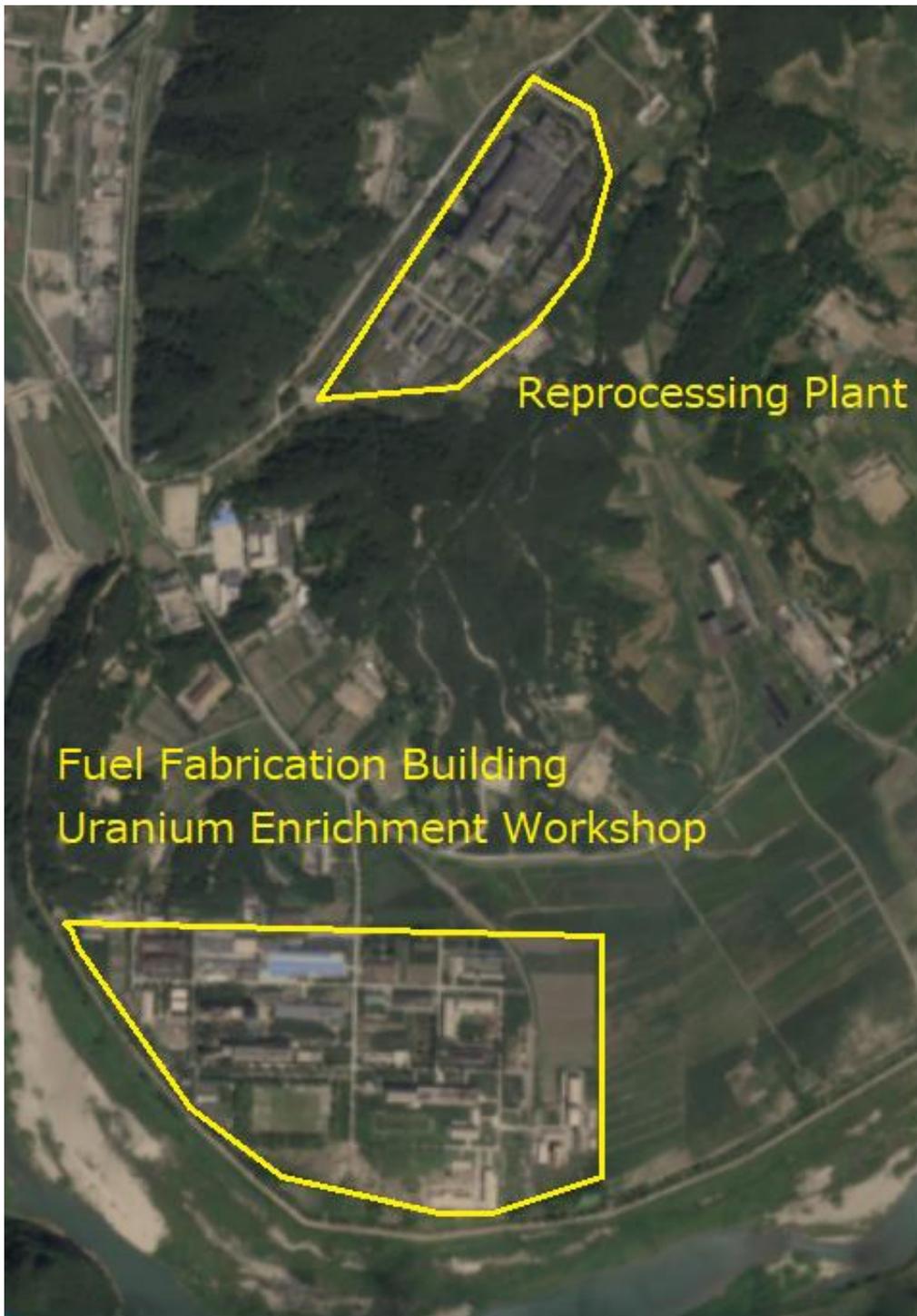
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**Annex 1: COVID-19, Democratic People's Republic of Korea border measures**

The reporting period has coincided with the emergence of the COVID-19 pandemic. The Democratic People's Republic of Korea responded rapidly with border closures and quarantine measures. Flights to and from China and Russia were suspended in late January (except for a single flight to Vladivostok on 9 March). Passenger rail services to China and Russia were also suspended at around the same time, as was cross-border road transportation. Maritime deliveries to the refined petroleum facility at Nampo port continued. Maritime container shipments to the Democratic People's Republic of Korea were largely suspended from late January, resuming in late March with frequency increasing from April. Outward shipments of coal, also largely suspended for over a month, have increased since March. Inward transportation of goods and commodities has resumed by road, and reportedly also by rail freight, though not at pre-COVID-19 levels. The Rajin to Khasan rail freight line has remained in operation. Goods, including humanitarian aid shipments, arriving in the country remain subject to special measures. Aside from the restricted entry of hauliers and crews, there reportedly continues to be almost no movement of people into or out of the country. Diplomatic missions, UN humanitarian agencies and non-governmental organizations are unable to bring in staff.

## Annex 2: Yongbyon nuclear complex

(1) Fuel fabrication building, uranium enrichment workshop and reprocessing plant  
(39°46'13.84"N 125°44'58.94"E / uranium enrichment workshop, 39°46'52.67"N  
125°45'10.84"E/reprocessing plant)



Source: Planet Labs (Skysat Collect, 14 July 2020)

(2) Yongbyon nuclear complex: 5MW (e) reactor and experimental light water reactor in Yongbyon (39°47'44.53"N 125°45'19.05"E / light water reactor)



Source: Planet Labs (Skysat Collect, 28 June 2020)

**Annex 3: Uranium mine and yellow-cake production plant in Pyongsan (38°19'05.41"N  
126°25'58.12" E / plant)**

**(1) Overview**



*Source:* Planet Labs (Skysat Collect, 14 April 2020)

**(2) Yellow-cake production plant in Pyongsan**



*Source:* Planet Labs (Skysat collect, 14 April 2020)

#### Annex 4: Punggye-ri nuclear test site

(1) Portals and main administrative area (41°16'40.65"N 129°05'14.67"E / main administrative area)



Source: Planet Lab (Skysat Scene, 1 June 2020)

**(2) Punggye-ri Test Site: Command Center (41°22'67.96"N 129°10'93.86"E)**



Source: Planet Lab (Skysat Collect, 2 April 2020)

**Annex 5: Suspected uranium enrichment facility in Kangson (38.96° N, 125.61° E)**



*Source:* Planet Labs (Skysat Scene, 15 March 2020)

## **Annex 6: Member State information on procurement of dual-use items by the DPRK**

### Recent procurement activity by Second Economic Committee of Munitions Industry Department of the DPRK

It is reported that at the end of 2018, Second Economic Committee of Munitions Industry Department intended to procure via third countries the materials, which can be easily diverted to the manufacturing of nuclear and missiles program. It is not confirmed whether or not these materials have been actually shipped to the DPRK, but it is highly likely to be related to the development and manufacturing of nuclear weapons and missiles by the DPRK.

Those materials intended to be procured:

(1) Lithium hydroxide

Lithium hydroxide is added to reactor coolants and functions to curb metal corrosion of nuclear reactor cooling pipes in military use.

(2) High purity graphite

High purity graphite is produced by applying purity-raising treatment to artificial graphite, and is used as moderator of nuclear reactors.

(3) Tris (1-(2-methyl) aziridiny) phosphine oxide) (MAPO)

MAPO is a bonding agent used for propellant of solid fuel missiles.

(4) Martensitic stainless steel

Martensitic stainless steel is used for equipment such as turbine blades of aircraft and nozzles. It is assumed to be used as material for rocket engine parts.

(5) Austenitic stainless steel

Austenitic stainless steel is used as material for nuclear reactors. It is assumed to be used as material for rocket outer shell.

*Source:* Member State

**Annex 7: The series of four SRBM launch tests in March 2020**

These four tests contributed to improving the tactical missile systems. In addition to the coordination of the fire sequences, the firing intervals were significantly reduced in comparison with 2019 test series. In that respect, the Time Between Launch (TBL) for KN-24 that was 20 minutes on 10 August 2019 and 16 minutes on 16 August 2019 went down to five minutes on 21 March 2020.

The TBL for KN-25 was 17 minutes (24 August 2019), 19 min (10 September 2019), three minutes (31 October 2019), 30 seconds (28 November 2019) and went down to 20 seconds (2 March 2020), 20 seconds (after the 1<sup>st</sup>) – one minute (after the 2<sup>nd</sup>) (9 March), and 20 seconds (29 March 2020) (see [S/2020/151](#), para.194 and Table 3, and Table 1 of this report).

The 2020 firing trials appear to have tested successfully the reliability of the BMs, as well as the capacity of the guidance system to reproduce the same strike result after their ballistic and/or aerodynamic trajectories.

From reports of some Member States on trajectory tracking, the reliability of the guidance system of the ballistic missiles was indicated by the fact that the two or three missiles fired during a sequence seemed to reach the same target.

**Figure 7-1: Operation training from 28 February to 2 March 2020**

The “joint strike military drills” carried out from 28 February to 2 March 2020 at a location 6km east from Wonsan could have been a demonstration of the DRPK’s operational capacity to combine and coordinate different types of artillery fire power up to the SRBMs final launch on 2 March. These tests contributed to improving the tactical missile system. The artillery was deployed on the beach (NW: 39° 9'19.66"N 127°36'26.85"E; SE: 39° 8'36.01"N 127°37'0.51"E). On 2 March the SRBM KN-25 TEL was probably located inland a few kilometers from the front.



*Source:* Planet Labs. 23 Feb. 2020, 02 22 19 UTC; 5 Mar. 2020, 24 07 23 UTC; KCTV image, 29 Feb. 2020; Rodong Sinmun 2 March 2020

**Figure 7-2: Ballistic missile launches in March 2020 (1)<sup>1</sup>**

Date	Provocation	Location	Type of missile*	Flying distance etc.
03.02.20	Launched two ballistic missiles	Near Wonsan	Short Range Ballistic Missile	Approx. 240km
03.09.20	Launched two ballistic missiles	Near Sondok	Short Range Ballistic Missile	Approx. 200km at maximum
03.21.20	Launched two ballistic missiles	Near Soncheon	Short Range Ballistic Missile	Approx. 400km
03.29.20	Launched two ballistic missiles	Near Wonsan	Short Range Ballistic Missile	Approx. 250km

Source: Member State

**Figure 7-3: Ballistic missile launches in March 2020 (2)<sup>2</sup>**

Date	Missile Name	Missile Type	Facility Name	Apogee	Distance Travelled
02/03	KN-25	SRBM	Wonsan	35 km	240 km
09/03	KN-25	SRBM	Sondok	50 km	200 km
21/03	KN-24	SRBM	Pyongan	50 km	410 km
29/03	KN-25	SRBM	Wonsan	30 km	230 km

Source: Member State

**Figure 7-4: DPRK missile launches in March 2020 (3)<sup>3</sup>**

<b>DPRK missile launches in 2020</b>							
Year	#	Date	Launch Location	Type (as announced by the DPRK)	Rds.	Apogee (approx.)	Flight Distance (approx.)
2020	1	Mar. 2	Wonsan, Kangwon Province	multiple-launch rocket	2	35km	240km
	2	Mar. 9	Seondeok, South Hamgyong Province	frontline long-range artillery	2	50km	200km
	3	Mar. 21	Suncheon, North Pyongan Province	tactical guided weapon	2	50km	410km
	4	Mar. 29	Wonsan, Kangwon Province	super large multiple rocket	2	30km	230km
Total	4 launches				8		

Source: Member State

<sup>1</sup> The missile landing locations are off the DPRK's eastern coast.

<sup>2</sup> *Ibid.*

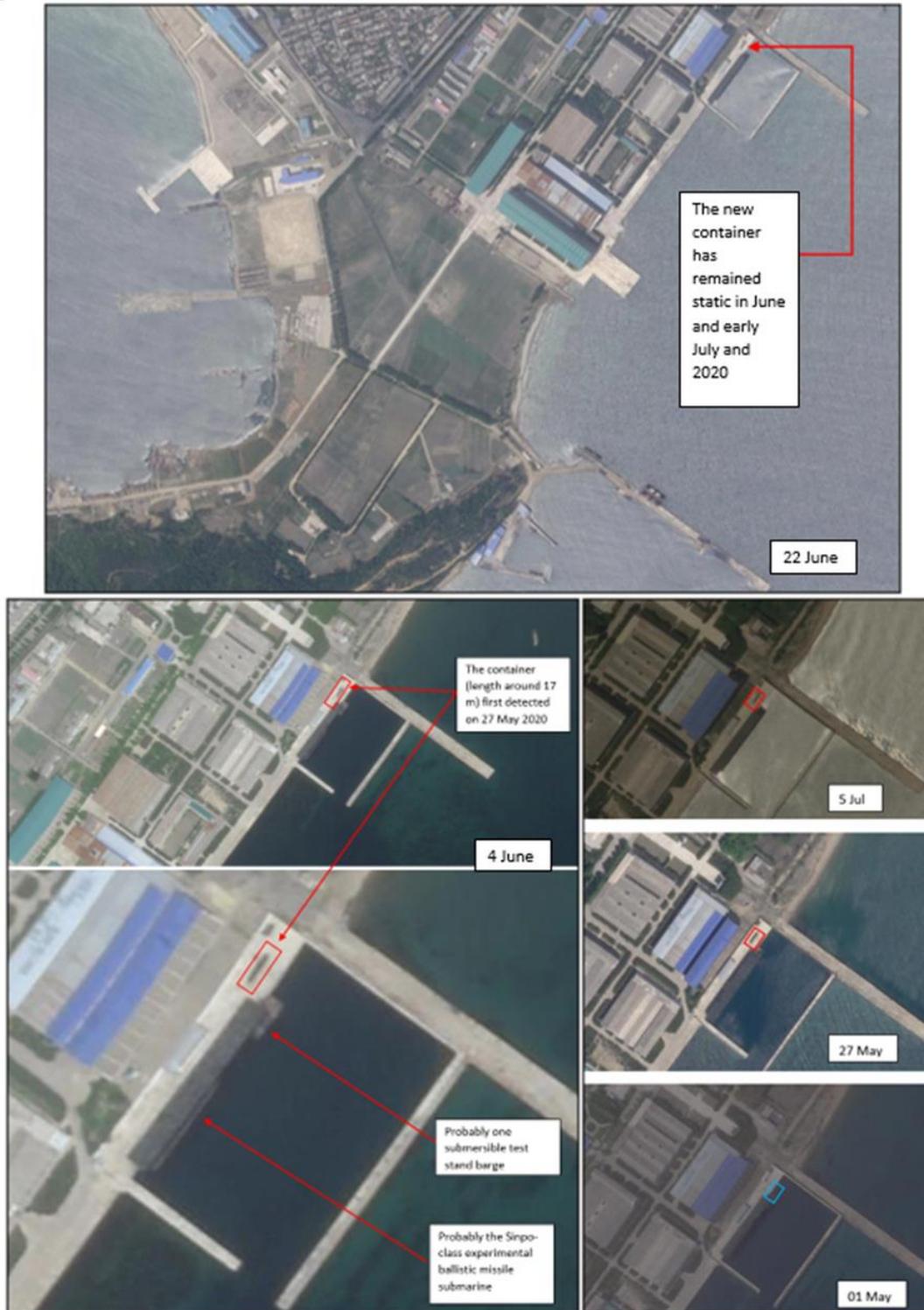
<sup>3</sup> *Ibid.*

**Annex 8: Activity observed at the Sinpo naval south shipyard's secure boat basin since May 2020**

After the set-up of a container (around 16-17 m long and around 2.5 m wide, large enough to carry a Pukkuksong-1 or Pukkuksong-3) in May 2020 near the secure boat basin, neither a crane nor support vehicles are currently visible on the site.

Moreover, the third submersible barge detected and described by a Member State during the 2 October 2019 test (see [S/2020/151](#), annex 58.7) has not been visible since that test. It was different from the two currently observed at Sinpo and Nampo.

**Figure 8-1: Sinpo south shipyard close to the secure basin, a container has been visible since 27 May 2020 near the canopy almost at the same location (40° 1'33.70"N 128° 9'57.69"E) where a container was detected on 23 September 2019.**



Source: Planet Labs. 22 Jun. 2020, 04 53 00 UTC; 4 Jun. 2020, 01 54 20 UTC; 5 Jul. 2020, 04 53 55 UTC; 27 May 2020, 02 06 51 UTC; 1 May 2020, 04 52 34 UTC

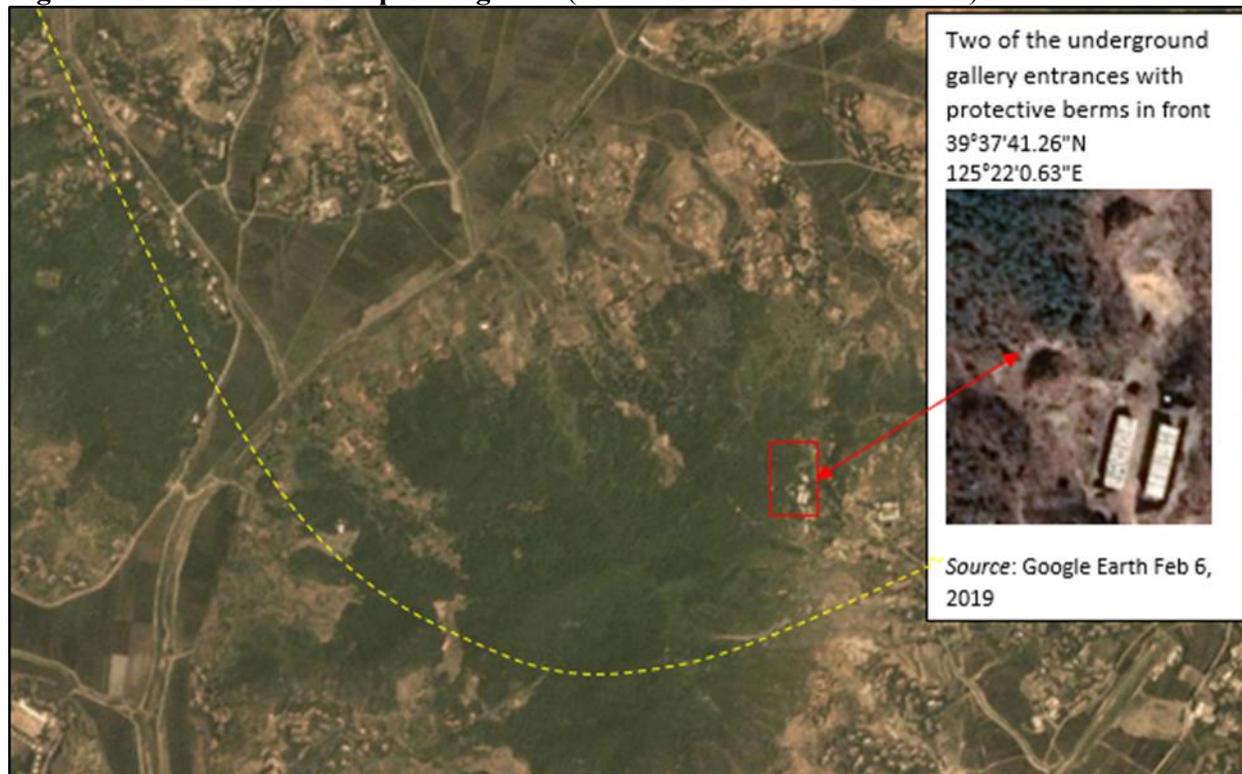
## Annex 9: Ballistic missile bases activity

The six ballistic missile bases referred to below, among others, are operational with considerable work in progress, focusing on:

- Increasing the underground storage capacity;
- Increasing the storage capacity under sheds or bunkers;
- Increasing the number of support facilities or their replacement.

An effort is made at some sites to enhance the undetectability and the camouflage of the existing or recently built infrastructures.

**Figure 9-1: Sino-ri missile operating base (39°38'41.52"N 125°21'19.71"E)**



Source: Planet Labs. 8 Jul. 2020, 02 05 07 UTC

**Figure 9-2: Yeongjeo-dong missile base activity** whose confirmed underground gallery entrances are located along the track from - 41°19'31.57"N 127°5'42.56"E – to - 41°19'36.94"N 127° 5'53.94"E with a last entrance at 41°20'15.15"N 127° 7'43.37"E



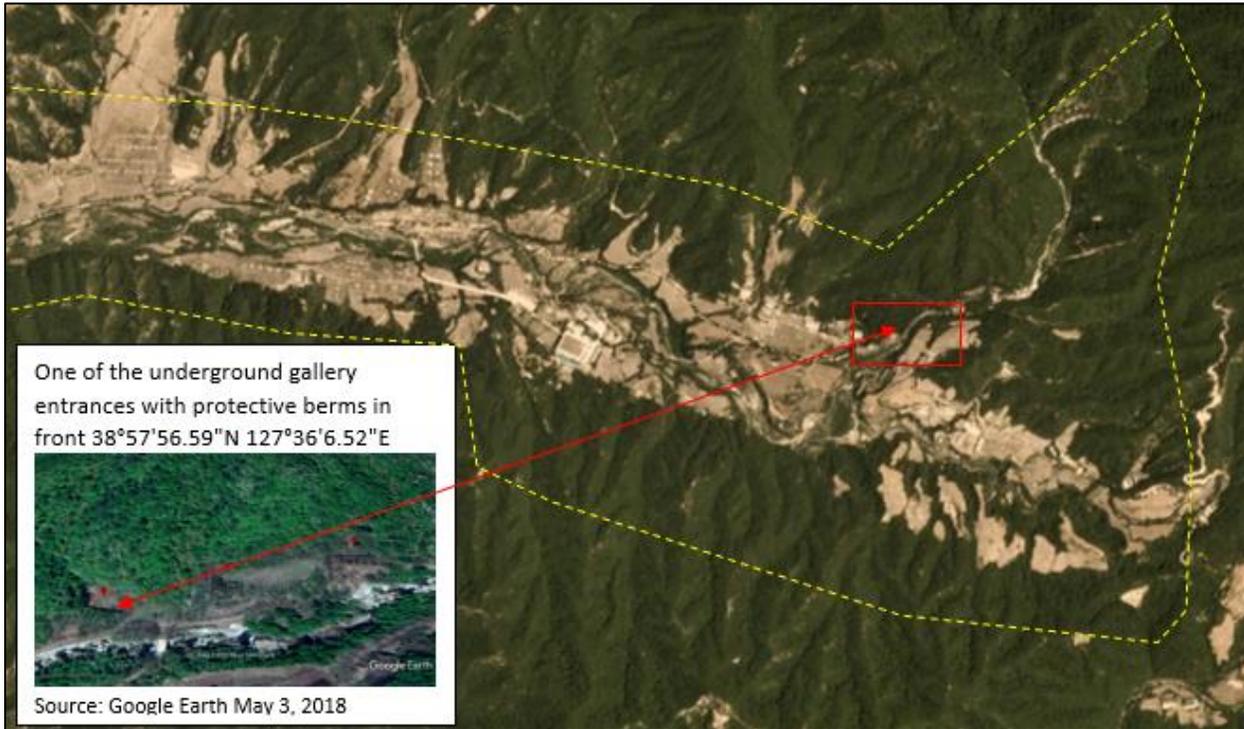
Source: Planet Labs. 27 Mar. 2020, 05 04 59 UTC

**Figure 9-3: Hojung-ri missile base activity (41°22'44.93"N 126°54'38.16"E) and the construction of a massive underground facility (41°21'56.37"N 126°55'41.91"E) (see S/2019/171, annex 84-3)**



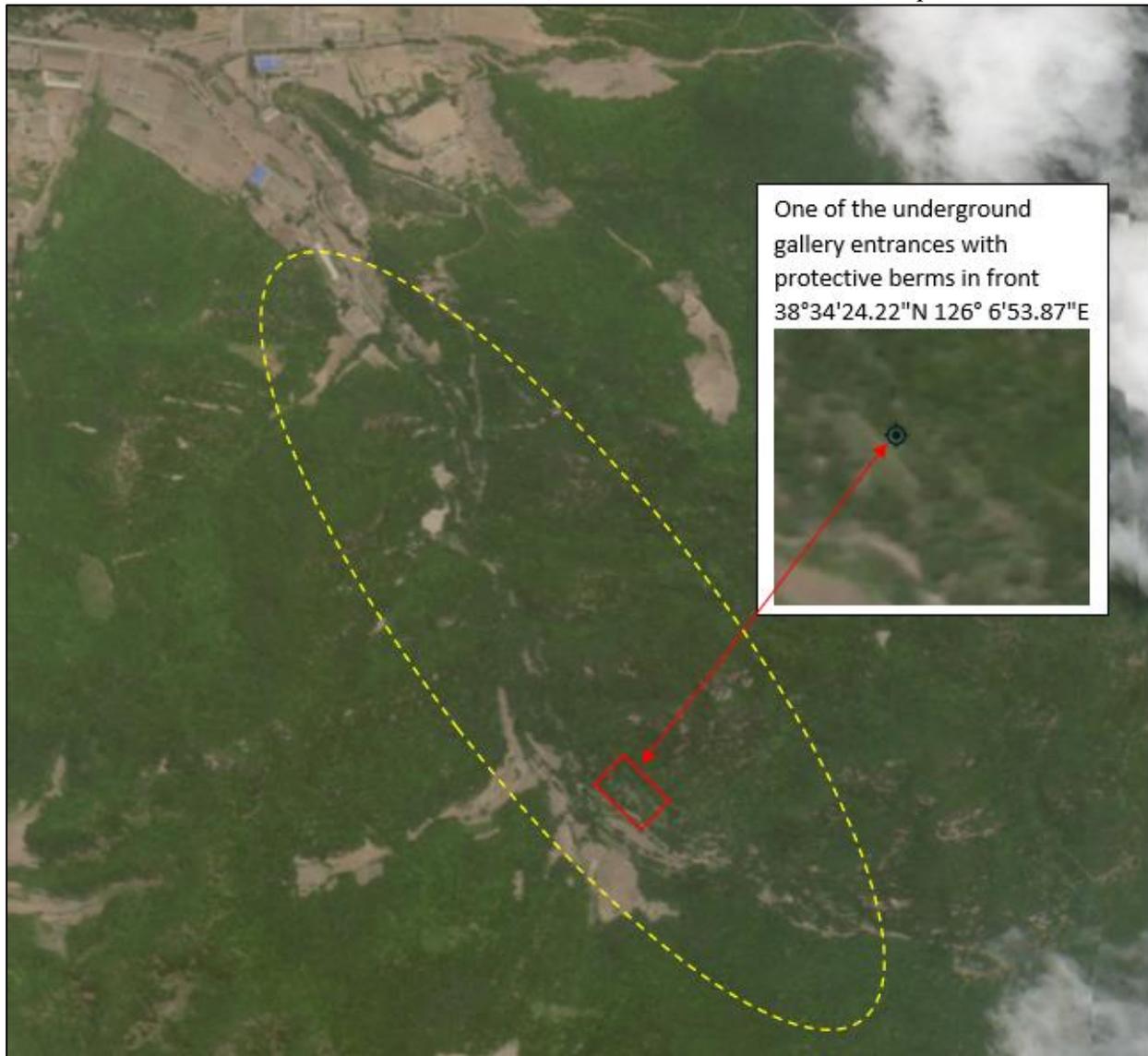
Source: Planet Labs. 29 May 2020, 02 12 52 UTC – 26 Mar. 2020, 02 47 37 UTC

**Figure 9-4: Kumchon-ri missile operating base activity (38°57'52.48"N 127°35'11.98"E) certain of whose underground gallery entrances are located along the valley from - 38°57'56.59"N 127°36'6.52"E – to - 38°57'57.29"N 127°36'23.58"E**



Source: Planet Labs. 22 Jun. 2020, 01 50 30 UTC

**Figure 9-5: Sakkanmol missile operating base activity, (38°36'10.20"N 126° 3'57.43"E).** The underground gallery entrances which are located along the valley from - 38°34'42.04"N 126° 6'43.67"E- to - 38°34'14.31"N 126° 7'21.64"E-, are identifiable because of the protective berms in front.



Source: Planet Labs. 13 Jun. 2020, 02 02 31 UTC

**Figure 9-6: Sangnam-ri Missile operating base activity (40°50'7.46"N 128°32'47.42"E).** Confirmed underground gallery entrances are located along the valley from - 40°49'35.89"N 128°33'15.41"E - 40°49'38.57"N 128°33'12.70"E - 40°49'42.22"N 128°33'9.32"E - 40°49'43.90"N 128°33'7.39"E – are identifiable because of the protective berms in front.



Source: Planet Labs. 8 Jul. 2020, 01 53 59 UTC

## Annex 10: Sanum Dong scientific and ballistic missile research complex

### Figure 10-1: General view of Sanum Dong scientific and ballistic missile research complex.

Near the Sanum Dong production hall (39° 8'30.32"N 125°46'0.11"E), specific activities were observed from January to June 2020. Given a potential relation between this complex and the Ippul-Tong site (39° 9'11.05"N 125°47'52.10"E) located 3 km north eastern thereof, the movements of tanker trucks on the roads of the storage area from March 2019 to June 2020 were also of interest.



Source: Planet Labs. 22 Jun. 2020, 02 06 09 UTC

**Figure 10-2: Sanum Dong production hall (1)**

Between 5 and 16 January 2020, truck and other vehicle activity was noted near the hall with in particular the movement of a container (color blue, length around 11m) ( $39^{\circ} 8'30.32''N$   $125^{\circ}46'0.11''E$ ) appearing between 3 and 5 January, removed on 10 January, returning on 15 or 16 January and definitively removed between 17 and 19 January.



Source: Planet Labs. 5 Jan. 2020, 05 19 06 UTC; 16 Jan. 2020, 02 10 01 UTC

**Figure 10-3: Sanum Dong production hall (2)**

A new canopy (length around 50 m width around 6 m) ( $39^{\circ} 8'29.70''N$   $125^{\circ}45'58.96''E$ ) was erected between 29 February and 5 March 2020 probably to conceal and protect the equipment temporarily stored before being moved.



Source: Planet Labs. 5 Mar. 2020, 02 13 30 UTC

**Figure 10-4: Sanum Dong Ippul-Tong**

In Sanum Dong Ippul-Tong storage buildings, on the 18 Apr 2020, one tanker truck (camouflage color length around 10 m), was moving on the ring (39° 9'20.86"N 125°47'56.64"E) which surrounds the various storage warehouses. There were movements of tanker trucks on the roads of the storage area from March 2019 to June 2020.

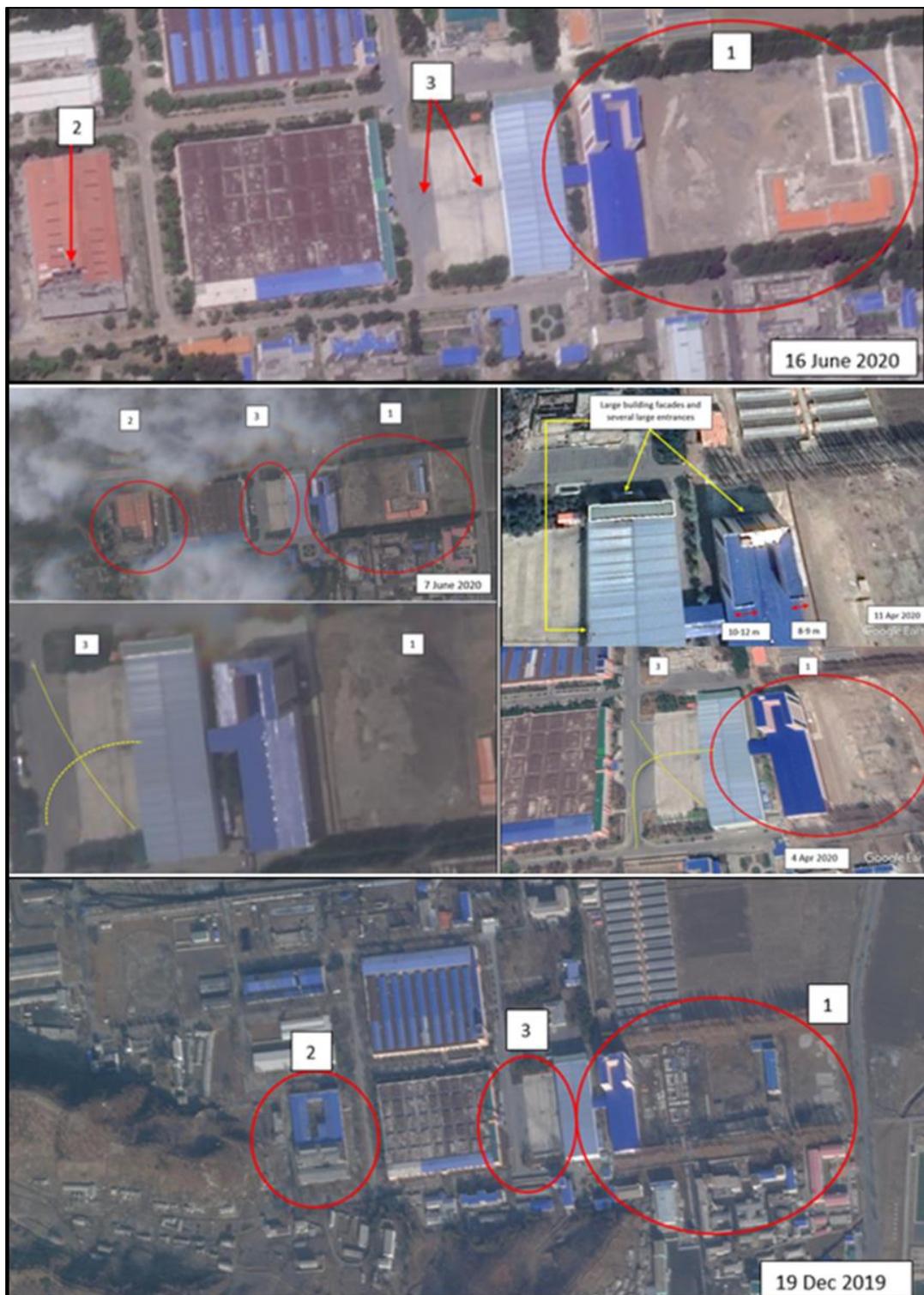


Source: Planet Labs. 18 Apr. 2020, 05 08 31 UTC

## **Annex 11: Developments at the Pyongsong March 16 factory automotive plant**

The transformation of the site continues and the activity of large vehicles has been detected with wide-arc traces from tires possibly left by a Transporter Erector Launcher (TEL) in front of the building where the Hwasong-15 was assembled in 2017 before the ICBM test launch on 29 November 2017. They could correspond to traces left by TEL movements in August 2018, and March and April 2020.

**Figure 11-1:** The surroundings of the new adjacent building ( $39^{\circ}16'52.08''N$   $125^{\circ}52'12.76''E$ ) are cleared (see area 1); the renovation of the western building has been under development since 2018 (see area 2). The activity of big trucks is detected because wide-arc'd tire traces (see area 3) appear at the front of the building where the Hwasong-15 was assembled in 2017.



*Source:* Planet Labs. 16 Jun. 2020, 05 16 00 UTC; Planet Labs. 7 Jun. 2020, 05 01 06 UTC; Google Earth. 4 Apr. 2020; Google Earth. 11 Apr. 2020; Planet Labs. 19 Dec. 2019, 02 09 00 UTC

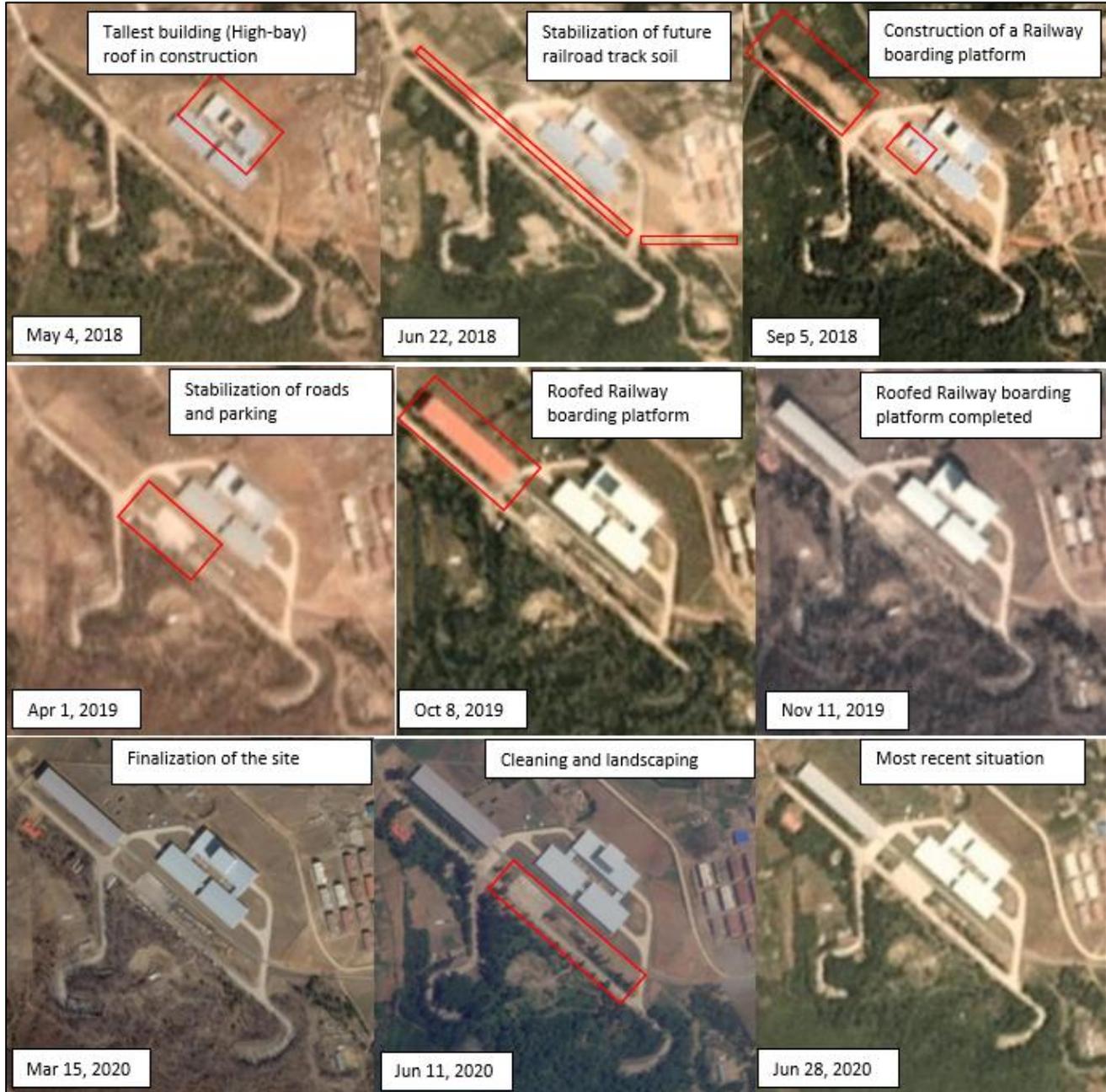
**Annex 12: New facilities located 2 km southwest of the Pyongyang Sunan International Airport (39°10'50.56"N 125°39'50.01"E)**

**Figure 12-1: General overview of the possible BM support facility in June 2020**



Source: Planet Labs. 11 Jun. 2020, 02 27 08 UTC

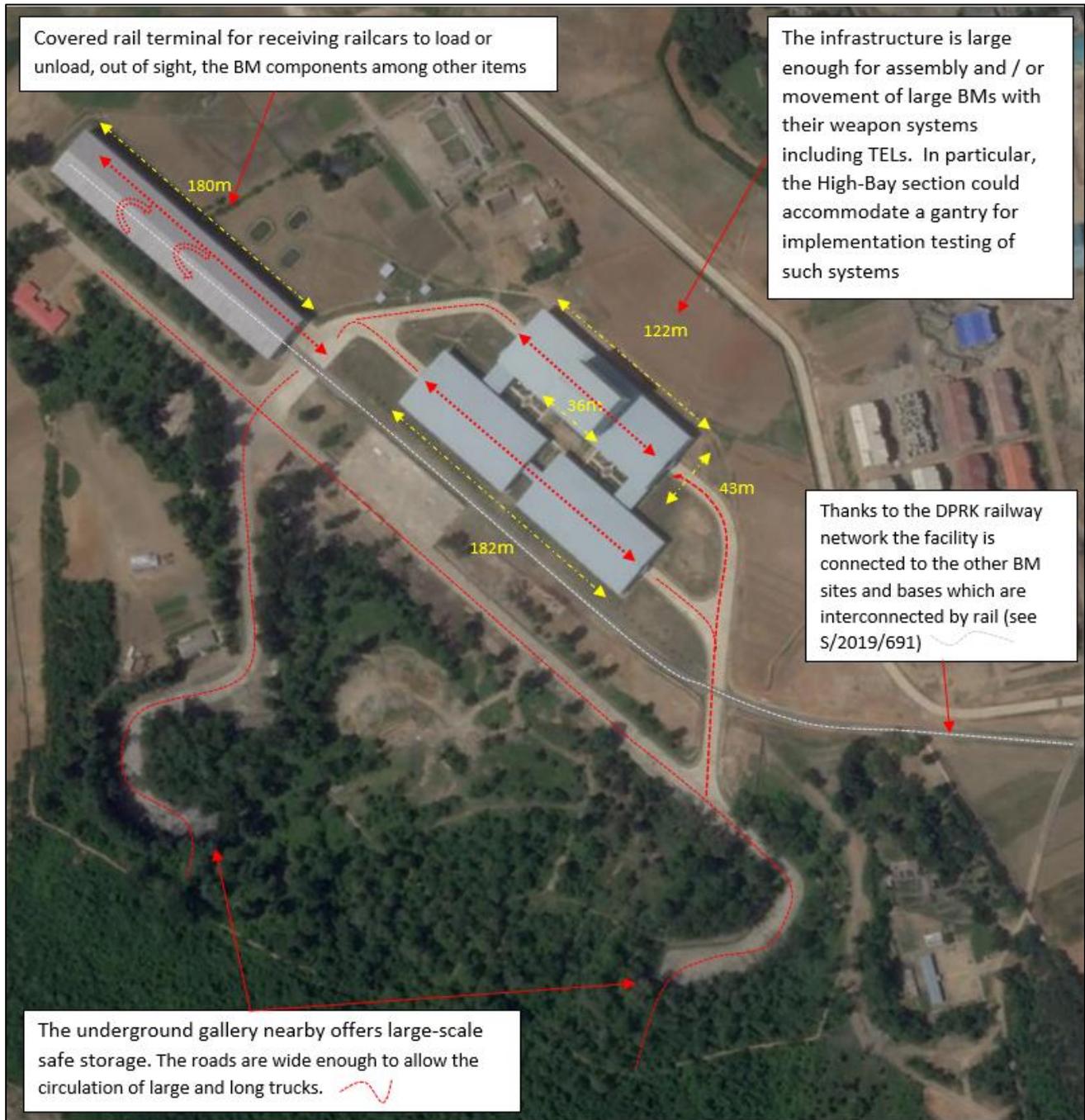
**Figure 12-2: Evolution of the possible BM support facility site from 4 May 2018 to 28 June 2020**  
(39°10'50.56"N 125°39'50.01"E)



*Source:* Planet Labs. 4 May 2018, 01 50 51 UTC; 22 Jun. 2018, 01 53 38 UTC; 5 Sep. 2018, 01 55 04 UTC; 1 Apr. 2019, 02 30 52 UTC; 8 Oct. 2019, 24 40 32 UTC; 11 Nov. 2019, 01 53 22 UTC; 15 Mar. 2020, 02 13 44 UTC; 11 Jun. 2020, 02 27 08 UTC; 28 Jun. 2020, 02 04 39 UTC

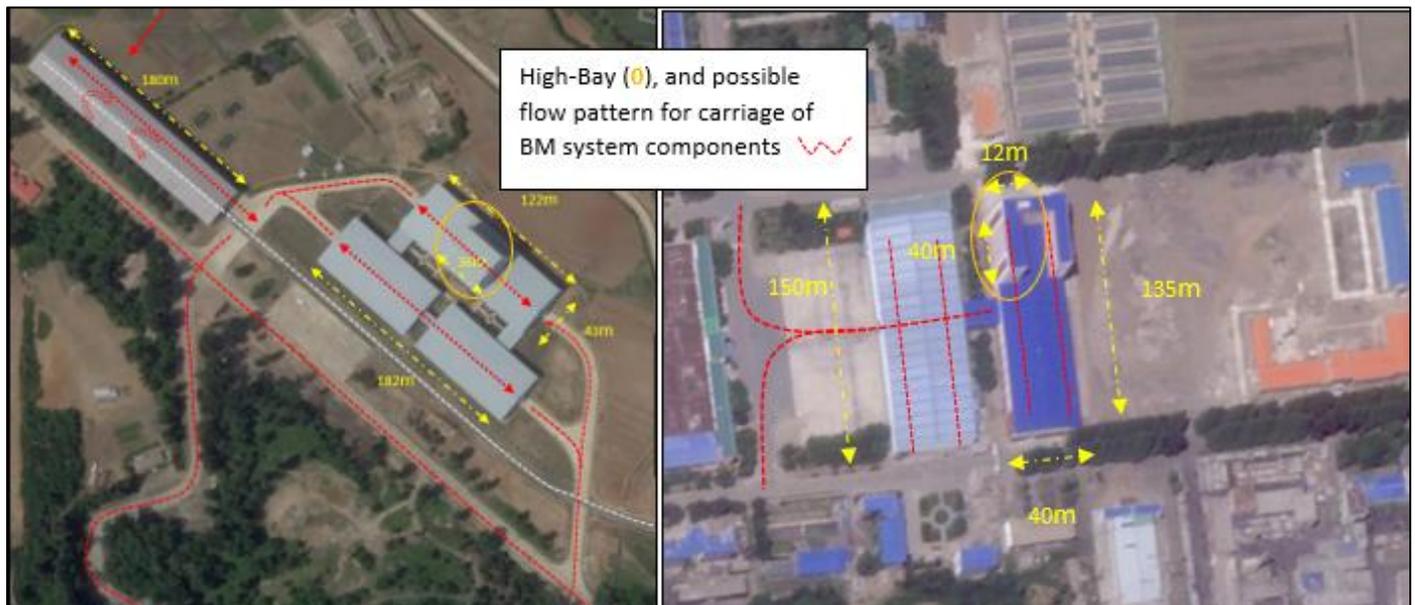
**Figure 12-3: Comparison with well-known ballistic missile facilities**

The infrastructure and buildings (in particular, the tallest building aka high-bay, the railway with a sheltered station and the network of wide stabilized roads) erected on the site could correspond to a BM training facility or to a BM assembly facility because they have an architecture comparable to that of the other BM facilities such as inter alia, **Pyongsong March 16 factory automotive plant** (fig. 12-4), **Sohae (Tongchang-ri) satellite rocket launch site** (fig. 12-5), **Sinpo south shipyard** (fig. 12-6), **Sanum Dong scientific and ballistic missile research complex** (fig. 12-7), **Tonghahe satellite rocket launch site** (fig. 12-8), **Jonchon (Mupyong-ni) No 65 factory** (fig. 12-9). These infrastructures are adapted to allow the assembly of large BM and rockets.



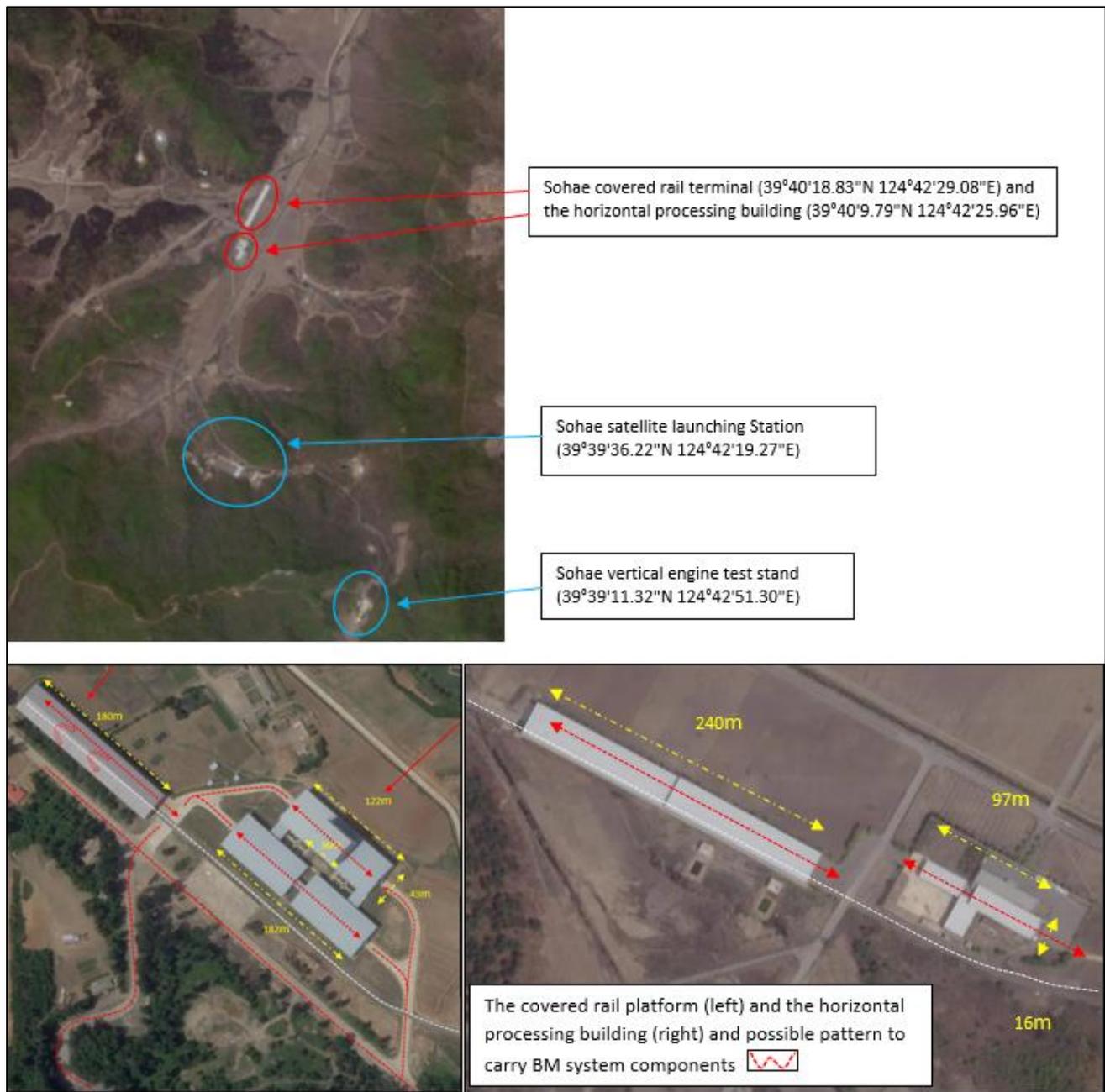
Source: Planet Labs. 11 Jun. 2020, 02 27 08 UTC

**Figure 12-4:** Comparison between the structure of the possible ballistic missile support facility aka -Sil-li ballistic missile support facility (39°10'50.56"N 125°39'50.01"E) and **the Pyongsong March 16 factory automotive plant** (39°16'52.55"N 125°52'15.75"E); (see S/2020/151, para.198 and annex 65).



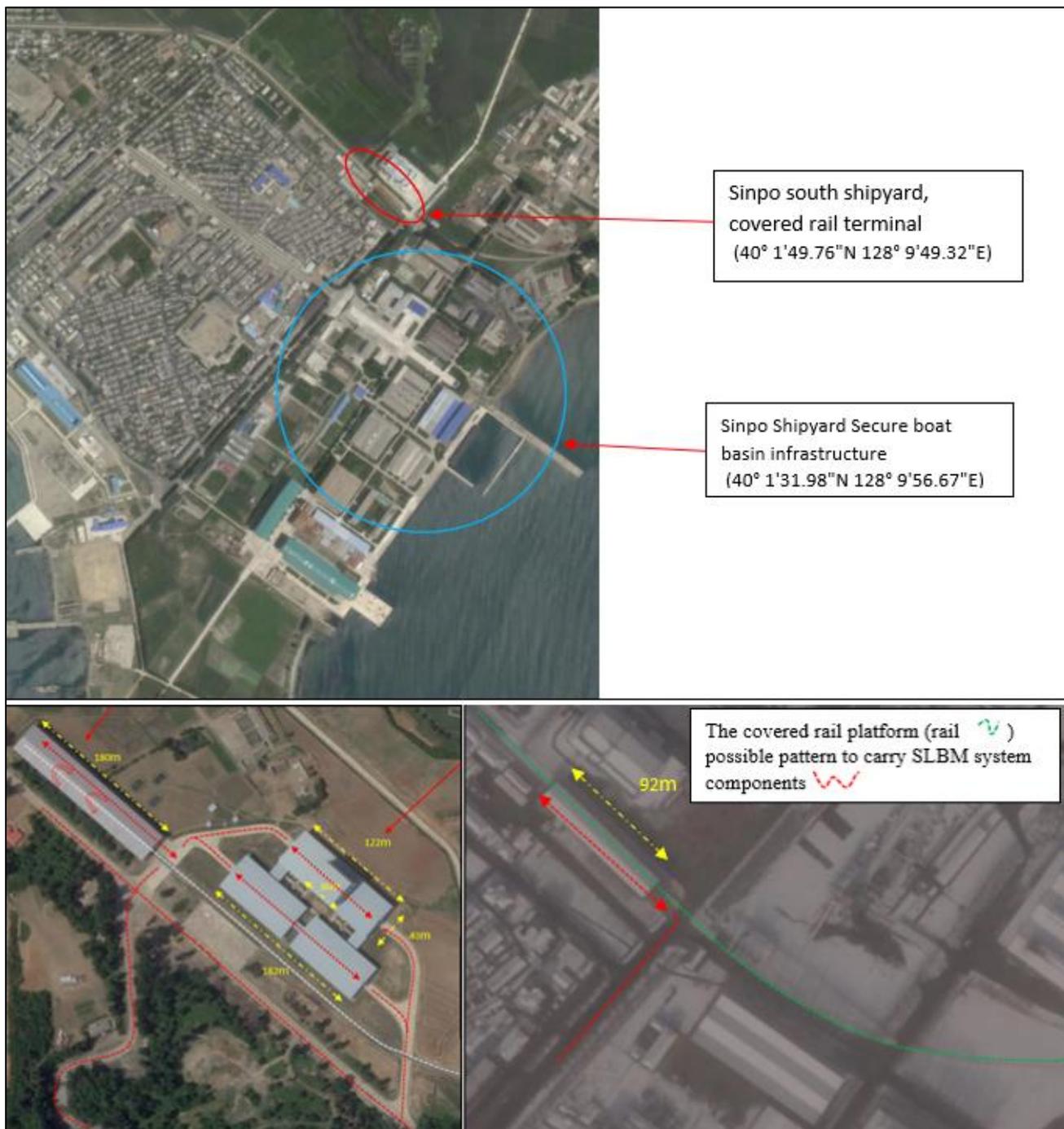
Source: Planet Labs. 16 Jun. 2020, 05 16 00 UTC (left) – 11 Jun. 2020, 02 27 08 UTC (right)

**Figure 12-5:** Comparison between the structure of the possible ballistic missile support facility aka - Sil-li ballistic missile support facility (39°10'50.56"N 125°39'50.01"E) and at the **Sohae (Tongchang-ri) satellite launching ground**: the horizontal processing building (39°40'9.79"N 124°42'25.96"E) and the covered rail terminal (39°40'18.83"N 124°42'29.08"E); (see S/2020/151, paras.198 and 199 and annex 62)



Source: Planet Labs. 16 Jun. 2020, 05 16 00 UTC (left) – 2 May 2020, 05 17 53 UTC (right)

**Figure 12-6:** Comparison between the structures of the possible ballistic missile support facility (aka Sil-li Ballistic Missile Support Facility) (39°10'50.56"N 125°39'50.01"E) and the **Sinpo south shipyard, covered rail terminal** (40° 1'49.76"N 128° 9'49.32"E 124°42'29.08"E) which is near the secure boat basin infrastructure where SLBMs are prepared for the Sinpo-class experimental ballistic missile submarine and the submersible barge (40° 1'31.98"N 128° 9'56.67"E) (see S/2020/151, para.198 and annex 58.7.3)



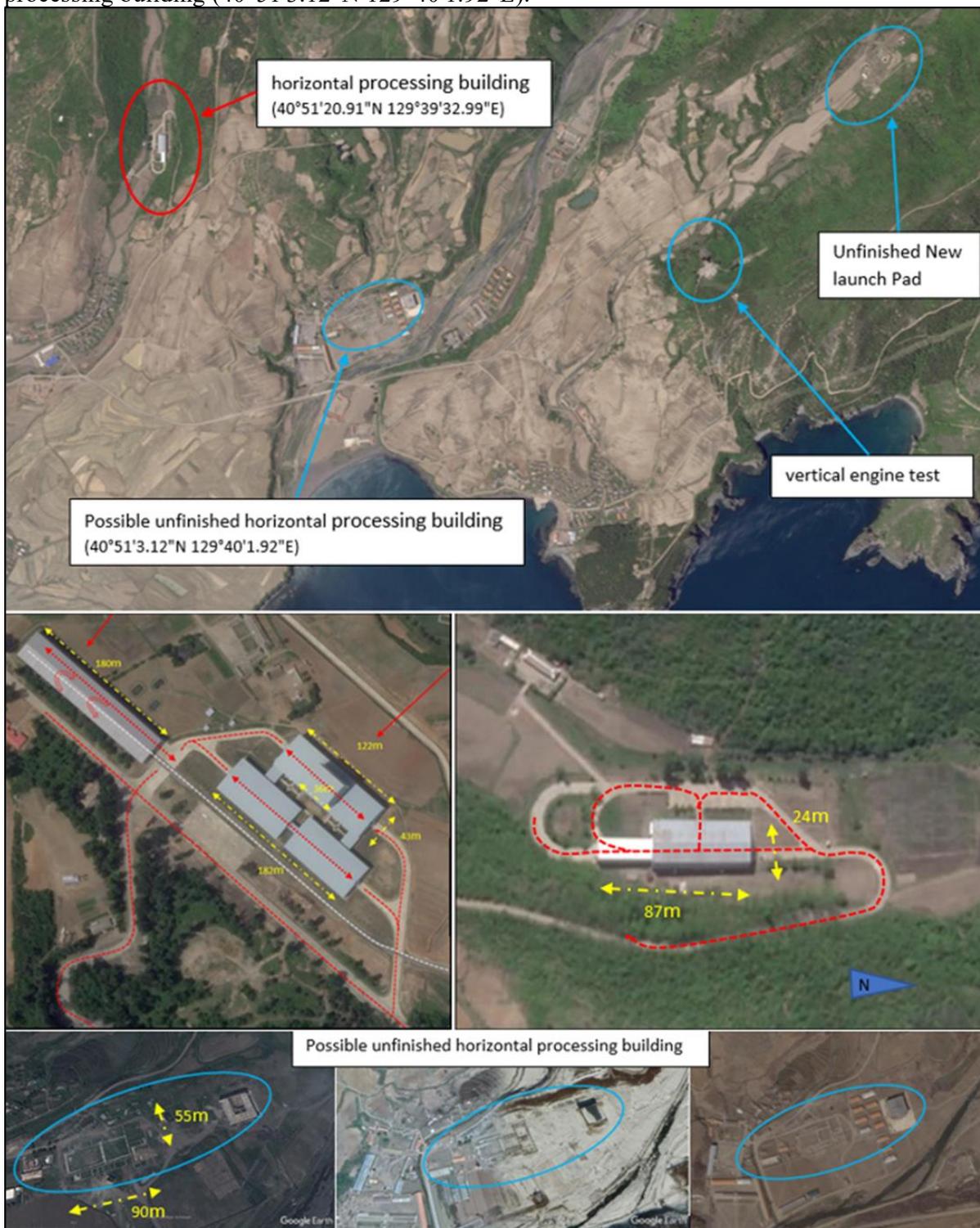
Source: Planet Labs. 2 Jul. 2020, 02 56 47 UTC; 16 Jun. 2020, 05 16 00 UTC (left) – 14 Jan. 2020, 05 00 14 UTC

**Figure 12-7** : Comparison between structures of the possible ballistic missile support facility (aka Sil-li ballistic missile support facility) (39°10'50.56"N 125°39'50.01"E) and at **the Sanum Dong scientific and ballistic missile research complex**, the Sanum Dong production hall (39° 8'30.32"N 125°46'0.11"E)



Source: Google Earth. 28 Oct. 2011 – 1 Dec. 2013 – 27 Jan. 2014 – 26 Oct. 2017; Planet Labs. 16 Jun. 2020, 05 16 00 UTC (left) - Jun 3, 2020, 05 00 22 UTC (right)

**Figure 12-8:** Comparison between structures of the possible ballistic missile support facility (aka Sil-li ballistic missile support facility) (39°10'50.56"N 125°39'50.01"E) and at the **Tonghae satellite rocket launch site**, the Horizontal processing building (40°51'20.91"N 129°39'32.99"E) and the unfinished processing building (40°51'3.12"N 129°40'1.92"E).



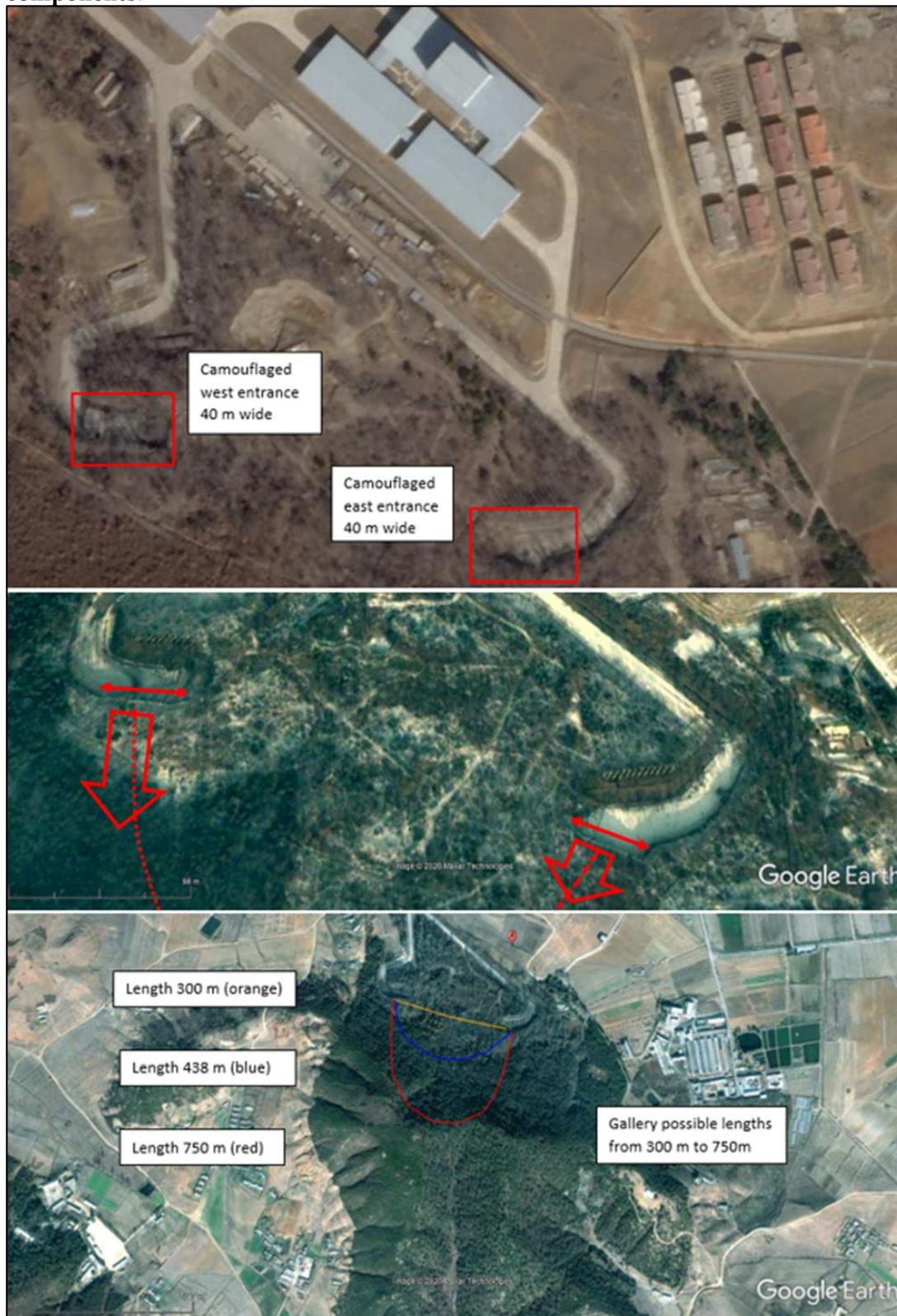
Source: Planet Labs. 29 May 2020, 04 46 58 UTC (top); 16 Jun. 2020, 05 16 00 UTC (centre left); 29 May 2020, 04 46 58 UTC (centre right); Google Earth. 22 Jun. 2013 (bottom left); 11 Feb. 2018 (bottom centre); Planet Labs. 2 Apr. 2020, 05 01 16 UTC (bottom right)

**Figure 12-9:** Comparison between structure of the possible ballistic missile support facility (aka Sil-li ballistic missile support facility) (39°10'50.56"N 125°39'50.01"E) and at the **Jonchon-Mupyong-ni No 65 factory**, the southern building involved in the TEL upgrading (40°36'42.77"N 126°25'34.74"E) and the various underground galleries located along the westside of the mountain from south (40°36'48.06"N 126°25'35.59"E) to north-east (40°38'0.43"N 126°26'21.20"E). A Hwasong-14 was tested on 28 July 2017 from a near-by launch pad (40°36'40.21"N 126°25'33.31"E) (see S/2019/171, para. 174; S/2018/171, paras. 9,11,12 and 13; S/2017/742, para. 7)



Source: Planet Labs. 14 Apr. 2020, 02 20 07 UTC; Google Earth. 3 Jan. 2012; Planet Labs. 14 Apr. 2020, 02 20 07 UTC; Google Earth, 31 Aug. 2018

**Figure 12-10: The main facility composed of 3 interconnected drive-through buildings is connected to a nearby large underground facility which could be used for storage of TEL and sensitive BM components.**



Source: Planet Labs. 21 Mar. 2020, 02 29 41 UTC (top); Google Earth. 30 Dec. 2006, 11 Nov. 2006

**Figure 12-11: The Pyongyang-Sunan international Airport has already been ‘dual-used’ for the BM programme. It was used on 29 August (39°15'40.96"N 125°40'32.79"E) and 15 September 2017 as a launch test site for the IRBM Hwasong-12 (see S/2019/171, para. 174).**



Source: Planet Labs. 4 Jun. 2020, 05 12 47 UTC

### Annex 13: The Sohae (Tongchang-ri) satellite launching ground

**Figure 13-1:** The upgrading of the Sohae (Tongchang-ri) satellite launching ground has continued with the renovation of the roads and pathways around and inside Sohae satellite launch site from early March 2020 (see S/2020/151, para.198 and annex 62).



Source: Planet Labs. 4 Jun. 2020, 02 30 29 UTC, 27 Mar. 2020, 02 28 44 UTC, 2 Mar. 2020, 05 14 46 UTC

## Annex 14: Intangible transfer of technology (ITT)

The Panel has identified a risk that DPRK researchers working in international scientific and technical journal editorial teams might be a channel for ITT. Such researchers could collect information and identify specific studies and researchers as well as cutting-edge scientific institutes.

As an editorial board member, such a researcher's task might involve, inter alia, reviewing papers and creating a network of scholars who could contribute to his/her mission. A DPRK scientist might benefit from gaining familiarity with the latest research in the field of his/her specialty. He/she might participate in academic exchanges with other academics in the field. He could more easily receive invitations to events or conferences as well as access to other scientific institutes.

The Panel's investigation<sup>4</sup> into one case has been carried out thanks to the cooperation of a scientific journal which had requested a DPRK researcher to become a member of the editorial board with tele-worker status.

The case concerns a DPRK national, Dr. Kim Chol-Hyon, affiliated to Kim Chaek University of Technology Pyongyang, DPRK, who obtained M.S. and Ph.D. degrees in optical measurement from the same university, in 2009 and 2018, respectively. Upon graduation, he joined its Laser Engineering Department, where he remains a Professor.

His research interests included laser-related techniques, the manufacturing of gaseous, liquid and solid lasers, laser applications as well as the material of fibre lasers and solid lasers.<sup>5</sup>

Some of Kim's publications related to optical research are listed below:

Immediate estimation of feedback factor and linewidth enhancement factor from measured self-mixing signals under moderate or strong regime. CM Ri, **CH Kim**, YN Oh, SC Kim - Measurement Science and Technology

Available at <https://iopscience.iop.org/article/10.1088/1361-6501/ab6c27/meta>

<sup>4</sup> Paragraph 11 of resolution 2321 (2016) decides that all Member States shall suspend scientific and technical cooperation involving persons or groups officially sponsored by or representing the DPRK except for medical exchanges, unless the 1718 Committee receives advance notification or grants an exemption.

<sup>5</sup> S/2014/253: Update to the items contained in the lists specified in paragraph 5 (b) of resolution 2087 (2013).

Excerpt of the Items, materials, equipment, goods and technology related to ballistic missile programmes:

- 9.A.2. Gyro-astro compasses and other devices which derive position or orientation by means of automatically tracking celestial bodies or satellites, and specially designed components therefor
- 10.A.1. Pneumatic, hydraulic, mechanical, electro-optical, or electromechanical flight control systems (including fly-by-wire and fly-by-light systems) designed or modified for the systems specified in 1.A
- 10.A.3. Flight control servo valves designed or modified for the systems in 10.A.1. or 10.A.2., and designed or modified to operate in a vibration environment greater than 10 g rms between 20 Hz and 2 kHz
- 11.A.1. Radar and laser radar systems, including altimeters, designed or modified for use in the systems specified in 1.A. *Technical Note: Laser radar systems embody specialised transmission, scanning, receiving and signal processing techniques for utilisation of lasers for echo ranging, direction finding and discrimination of targets by location, radial speed and body reflection characteristics...*
- 11.A.4. Electronic assemblies and components, designed or modified for use in the systems specified in 1.A. or 19.A. and specially designed for military use and operation at temperatures in excess of 125°C
- 12. Fiber Optic Gyro Coil Winding Machines.
- 12.A.5. Precision tracking systems, usable for systems specified in 1.A., 19.A.1. or 19.A.2. as follows:
  - A. Tracking systems which use a code translator installed on the rocket or unmanned aerial vehicle in conjunction with either surface or airborne references or navigation satellite systems to provide real-time measurements of inflight position and velocity
  - B. Range instrumentation radars including associated optical/infrared trackers with all of the following capabilities:
    1. Angular resolution better than 1.5 mrad;
    2. Range of 30 km or greater with a range resolution better than 10 m rms; and
    3. Velocity resolution better than 3 m/s

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Effect of linewidth enhancement factor on displacement reconstruction and immediate estimation of feedback factor for weak feedback. **CH Kim** - Optics Communications, 2020 – Elsevier

Available at <https://www.sciencedirect.com/science/article/abs/pii/S0030401819311733>

High-speed joint estimation of strong feedback regime with fringe loss. HS Hong, **CH Kim**, JH Kim, UH Song, HS Li... - Optics Communications, 2020 – Elsevier

Available at <https://www.sciencedirect.com/science/article/abs/pii/S0030401820305782>

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## Annex 15: Member States' letter and report to the 1718 Committee: North Korea's Breach of the UNSCR 2397 Refined Petroleum Cap, 24 July 2020

July 24, 2020

Dear Ambassador Heusgen,

On behalf of the Republic of Albania, Australia, Austria, Belgium, the Republic of Bulgaria, Canada, Chile, the Republic of Croatia, the Republic of Cyprus, the Czech Republic, Denmark, Dominican Republic, Estonia, Finland, France, the Federal Republic of Germany, Greece, Honduras, Hungary, Iceland, Israel, Italy, Japan, the Republic of Latvia, the Republic of Liberia, Lithuania, Luxembourg, the Republic of Malta, the Republic of the Marshall Islands, the Federated States of Micronesia, the Kingdom of the Netherlands, New Zealand, Norway, the Republic of Palau, Peru, the Republic of Poland, the Republic of Korea, the Slovak Republic, the Republic of Slovenia, Spain, Ukraine, the United States, and the United Kingdom, we have the honor to submit to the 1718 Committee a request for the Committee Secretary to take the actions described in operative paragraph 5 of resolution 2397 because the aggregate amount of refined petroleum products sold, supplied, or transferred to the DPRK in 2020 has breached the annual cap of 500,000 barrels. Attached, please find a report, sponsored by the above Member States, detailing observations of illicit North Korean refined petroleum imports. None of these imports were reported to the 1718 Committee. When these observed illicit refined petroleum imports are combined with imports that have been reported to the 1718 Committee, the aggregate amount of refined petroleum imported into the DPRK is in excess of the 500,000 barrel refined petroleum cap set in UN Security Council resolution 2397. In total, we have documented 56 shipments between January 1, 2020 and May 30, 2020. For 20 of these 56 cases, we are presenting imagery as evidence. Just these 20 cases when combined with the amounts already reported to the 1718 Committee, exceed the 500,000 refined petroleum cap set in UN Security Council resolution 2397.

Specifically, we request the following actions be taken:

- We request the 1718 Committee Secretary issue a public note verbale to all UN Member States that the aggregate amount of refined petroleum products sold, supplied, or transferred to the DPRK in 2020 has exceeded the cap set by the Security Council and inform Member States that they must immediately cease selling, supplying, or transferring refined petroleum products to the DPRK for the remainder of the year.
- We request the Chair to issue a Committee press release to inform the general public of this information.
- We further request this note verbale and press release include a call for all Member States to immediately exercise enhanced vigilance regarding the DPRK attempting to procure additional refined petroleum products and to prevent illicit ship-to-ship transfers of refined petroleum products to vessels owned, controlled, or acting on behalf of or working in cooperation with the DPRK.

- We further request the 1718 Committee Secretary update the website to include the illicit refined petroleum imports in our report and show that the aggregate amount of refined petroleum products sold, supplied, or transferred to the DPRK in 2020 has exceeded the cap set by the Security Council using the conversion rate and other information in the report.

We request the Chair circulate our report and our proposals to the 1718 Committee for action by today, July 24, 2020 under the regular 5-day NOP process. We thank you in advance for your assistance.



Naureda Breshanaj  
Deputy Permanent Representative, Chargé d'Affaires a.i.  
Permanent Mission of the Republic of Albania to the United Nations



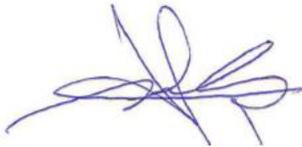
Mitch Fifield  
Permanent Representative  
Permanent Mission of Australia to the United Nations



Alexander Marschik  
Permanent Representative  
Permanent Mission of Austria to the United Nations



Marc Pecsteen de Buytswerve  
Permanent Representative  
Permanent Mission of Belgium to the United Nations



Georgi Panayotov  
Permanent Representative  
Permanent Mission of the Republic Bulgaria to the United Nations



Louise Blais  
Chargée d'affaires a.i.  
Permanent Mission of Canada to the United Nations



Milenko Skoknic Tapia  
Permanent Representative  
Permanent Mission of Chile to the United Nations



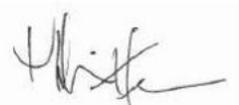
Ivan Simonović  
Permanent Representative  
Permanent Mission of the Republic of Croatia to the United Nations



Andreas D. Mavroyiannis  
Permanent Representative  
Permanent Mission of the Republic of Cyprus to the United Nations



Karel Komárek  
Chargée d'affaires a.i.  
Permanent Mission of the Czech Republic to the United Nations



Martin Bille Hermann  
Permanent Representative  
Permanent Mission of Denmark to the United Nations



José Singer  
Special Envoy of the Dominican Republic to the Security Council  
Permanent Mission of the Dominican Republic to the United Nations



Sven Jürgenson  
Permanent Representative  
Permanent Mission of Estonia to the United Nations



Sofie Sandström  
Chargée d'affaires a.i.  
Permanent Mission of Finland to the United Nations



Nicolas de Rivière  
Permanent Representative  
Permanent Mission of France to the United Nations



Christoph Heusgen  
Permanent Representative  
Permanent Mission of the Federal Republic of Germany to the United Nations



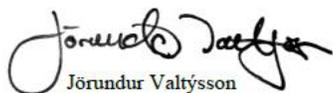
Maria Theofili  
Permanent Representative  
Permanent Mission of Greece to the United Nations



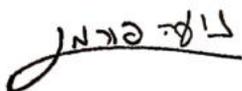
Irma Rosa  
Deputy Permanent Representative  
Permanent Mission of Honduras to the United Nations



Katalin Annamária Bogyay  
Permanent Representative  
Permanent Mission of Hungary to the United Nations



Jörundur Valtýsson  
Permanent Representative  
Permanent Mission of Iceland to the United Nations



Ambassador Noa Furman  
Chargée d'affaires a.i.  
Permanent Mission of Israel to the United Nations



Antonini Maurizio  
First Counselor  
Permanent Mission of Italy to the United Nations



ISHIKANE Kimihiro  
Permanent Representative  
Permanent Mission of Japan to the United Nations



Krista Raupa  
Chargé d'Affaires a.i.  
Permanent Mission of the Republic of Latvia to the United Nations



Dee-Maxwell Saah Kemayah, Sr.  
Permanent Representative  
Permanent Mission of the Republic of Liberia to the United Nations



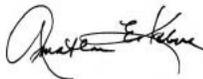
Dalia Šalkausienė  
Chargé d'Affaires a.i.  
Permanent Mission of Lithuania to the United Nations



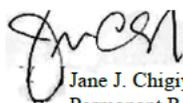
Fabien Raum  
Deputy Permanent Representative, Chargé d'Affaires a.i.  
Permanent Mission of Luxembourg to the United Nations



Vanessa Frazier  
Permanent Representative  
Permanent Mission of the Republic of Malta to the United Nations



Amatlain E. Kabua  
Permanent Representative  
Permanent Mission of the Republic of the Marshall Islands to the United Nations



Jane J. Chigiyal  
Permanent Representative  
Permanent Mission of the Federated States of Micronesia to the United Nations



Karel J.G. van Oosterom  
Permanent Representative  
Permanent Mission of the Kingdom of the Netherlands to the United Nations



Craig J. Hawke  
Permanent Representative  
Permanent Mission of New Zealand to the United Nations



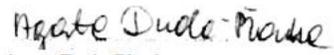
Mona Juul  
Permanent Representative  
Permanent Mission of Norway to the United Nations



Ngedikes Olai Uludong  
Permanent Representative  
Permanent Mission of the Republic of Palau to the United Nations



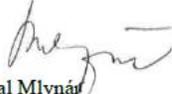
Néstor Popolizio  
Permanent Representative  
Permanent Mission of Peru to the United Nations



Agata Duda-Płonka  
Chargé d'Affaires a.i.  
Permanent Mission of the Republic of Poland to the United Nations



Cho Hyun  
Permanent Representative  
Permanent Mission of the Republic of Korea to the United Nations



Michal Mlynár  
Permanent Representative  
Permanent Mission of the Slovak Republic to the United Nations



Darja Bavdaž-Kuret  
Permanent Representative  
Permanent Mission of the Republic of Slovenia to the United Nations



Agustín Santos Maraver  
Permanent Representative  
Permanent Mission of Spain to the United Nations



Sergiy Kyslytsya  
Permanent Representative  
Permanent Mission of Ukraine to the United Nations



Kelly Craft  
Permanent Representative  
Permanent Mission of United States to the United Nations



Jonathan Allen  
Chargé d'Affaires a.i.  
Permanent Mission of United Kingdom to the United Nations

His Excellency  
Christoph Heusgen,  
Chair of the Committee established pursuant to resolution 1718 (2006)  
New York, NY.

**REPORT TO THE UN 1718 COMMITTEE:****NORTH KOREA'S BREACH OF THE UNSCR 2397 REFINED PETROLEUM CAP**

The Republic of Albania, Australia, Austria, Belgium, the Republic of Bulgaria, Canada, Chile, the Republic of Croatia, the Republic of Cyprus, the Czech Republic, Denmark, Dominican Republic, Estonia, Finland, France, the Federal Republic of Germany, Greece, Honduras, Hungary, Iceland, Israel, Italy, Japan, the Republic of Latvia, the Republic of Liberia, Lithuania, Luxembourg, the Republic of Malta, the Republic of the Marshall Islands, the Federated States of Micronesia, the Kingdom of the Netherlands, New Zealand, Norway, the Republic of Palau, Peru, the Republic of Poland, the Republic of Korea, the Slovak Republic, the Republic of Slovenia, Spain, Ukraine, the United States, and the United Kingdom remain gravely concerned regarding large-scale evasion of restrictions the UN Security Council has imposed on the Democratic Republic of Korea's (DPRK) import of refined petroleum products. UN Security Council resolution (UNSCR) 2397 operative paragraph (OP) 5 restricts the DPRK to importing no more than 500,000 barrels of refined petroleum products per year. Any Member State supplying, selling, or transferring refined petroleum products to the DPRK is required to submit reports to the UN 1718 Committee informing it of the transfers every 30 days in order to allow the Committee to maintain an accounting of the DPRK's imports.

UNSCR 2375 OP 11 prohibits UN Member States from engaging in ship-to-ship (STS) transfers with any DPRK-flagged vessel of any goods or items that are being supplied, sold, or transferred to or from the DPRK. Nevertheless, DPRK-flagged vessels continue to conduct STS transfers on a regular basis as the DPRK's primary means of importing refined petroleum. This report demonstrates that the DPRK has exceeded the UNSCR 2397 annual 500,000 barrel cap for 2020. This submission acknowledges previous submissions from 2018 and 2019 (see S/AC.49/2018/NOTE.213 and S/AC.49/2019/NOTE.134) and Panel of Experts reporting (see maritime section of S/2018/171, S/2019/171, S/2019/691, and S/2020/151) that exhaustively demonstrated and detailed the illicit practices employed by the DPRK to circumvent UNSCR-mandated restrictions on its ability to import refined petroleum products. As a result, this report will not seek to repeat in detail the specific information the DPRK's evasive practices previously outlined in formal submissions to the UN 1718 Committee. These practices continue unabated, but the DPRK utilizes an ever-evolving fleet of vessels under its flag or its direct control to perpetrate pervasive and ongoing sanctions evasion.

This report demonstrates that the DPRK continues these illicit practices, namely UN-prohibited STS transfers and unreported imports, and again this year has exceeded the UNSCR 2397 OP 5 refined petroleum products cap of 500,000 barrels per annum. This report supplies images and import volume data for vessels that continue to make deliveries of refined petroleum into DPRK ports, but not report them to the UN 1718 Committee. STS transfers of any cargo are explicitly prohibited by UNSCR 2375, so the perpetrators involved in supplying refined petroleum products to DPRK tankers fail to report these volumes to avoid self-incrimination. As a result,

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the UN 1718 Committee's official accounting of the DPRK's imports vastly underrepresents the volume of refined petroleum products that actually enter the DPRK. The overarching purpose of UNSCR 2397's provision limiting the DPRK's ability to import refined petroleum products is to limit the DPRK's ability to develop weapons of mass destruction (WMD) and ballistic missiles, which are a threat to international peace and security and are prohibited by numerous UNSCRs. The restriction on the DPRK's refined petroleum products imports is critical to ensuring that the DPRK returns to sustained negotiations with the United States. If the DPRK is able to flagrantly evade international sanctions, it will have little incentive to engage in serious negotiations. As long as the DPRK continues to import refined petroleum products in excess of the UN-mandated cap with limited accountability at the UN, UNSCR 2397 OP 5 will remain ineffectual.

These deliveries have significantly contributed to a substantial breach of the 500,000 barrel annual cap set by UNSCR 2397. We estimate that, this year alone, the DPRK has imported over 1.6 million barrels via 56 tanker deliveries as of May 30. The ongoing utilization of larger, foreign-flagged tankers in its illicit import efforts has allowed the DPRK to import more than three times the allowed volume of refined petroleum products in just the first five months of 2020.

To continue documenting the illicit practices the DPRK utilizes to import refined petroleum products, this report provides two imaged instances of STS transfers this year in which DPRK tankers received refined petroleum products from feeder tankers. Neither of these instances have been reported to the 1718 Committee for its official accounting of the DPRK's imports. Each of these STS transfers are described below.

1. On 9 January 2020, the North Korean-flagged tanker SAM JONG 2 (IMO: 7408873) was observed moored alongside JIANG NING 3 (flag and IMO unknown) to conduct an STS transfer in the East China Sea (report image 1). Following the STS transfer, the SAM JONG 2 returned to the DPRK port of Nampo for delivery of its cargo. On 18 January 2020, SAM JONG 2 was observed at the Nampo center pier with a petroleum delivery line, leading to Nampo's storage facilities (report image 2).
2. On 10 January 2020, the North Korean-flagged tanker MYONG RYU 1 (IMO: 8532413) was observed moored alongside Panama-flagged INFINITE LUCK (IMO: 9063811) to conduct an STS transfer (report image 3). On 11 January 2020, MYONG RYU 1 was observed moored alongside North Korean-flagged tanker CHON MA SAN (IMO: 8660313) to conduct an STS transfer (report image 4). Following this transfer, the MYONG RYU 1 returned to the DPRK port of Haeju to deliver its refined petroleum cargo on 23 January 2020. The CHON MA SAN later returned to the port of Chongjin West for delivery on 4 February 2020.

As each of these STS transfers and deliveries of refined petroleum products into DPRK ports make clear, the DPRK is continuing to utilize illicit methods to procure refined petroleum products -- as it did in 2018 and 2019. Given that these import volumes have not been reported

to the 1718 Committee, it is necessary to account for these volumes in order to ensure that UNSCR 2397's import quota is properly implemented.

As discussed in previous submissions on the DPRK breaching the import cap in 2018 and 2019, this report cannot provide an exact figure for each delivery of refined petroleum products to the DPRK, as that information is not readily available to any UN Member State other than the DPRK. This report instead seeks to establish three scenarios that track the degree to which any given tanker unloading refined petroleum into the DPRK is laden, at various levels based on each ship's dead weight tonnage – we provide estimates for each ship at the levels of one-third laden (33 percent full), half laden (50 percent full), or completely laden (90 percent full). It is highly unlikely that DPRK tankers deployed in search of fuel via STS transfers, or those tankers engaging in direct deliveries, would arrive in DPRK ports with less than one third of their cargo capacities filled. The expenditure of resources and fuel consumption by the tanker itself during these journeys would not be justified if the tanker in question delivered less than one-third of its cargo capacity. Therefore, a one-third laden delivery volume is employed as the floor baseline for this report.

In addition to the SAM JONG 2 delivery on 18 January described above, we are providing 19 additional images of tanker deliveries into DPRK ports that have not been reported to the UN. These 20 deliveries alone represent a sufficient volume (740,198.47 barrels) of refined petroleum imports to breach the UNSCR 2397 annual cap of 500,000 barrels, if all deliveries were made by fully-laden tankers. Even if each of these tankers delivered only 50 percent of their full capacity in these 20 deliveries, which would not be financially sound, that volume (411,221.37 barrels) would still represent a breach of the annual cap when combined with reported exports to the DPRK in 2020 (106,094.17 barrels) as of July 1. The deliveries for which we are also providing images are denoted with a "\*" in Table 1.

Table 1 below documents each of these 56 deliveries and provides an associated volume for each of the three scenarios.

Table 1: 2020 DPRK and Other Tanker Deliveries and Associated Volumes								
Delivery Date	Port of Delivery	Ship Name	IMO	Last Known Flag	Dead Weight Tons	Delivery Volume if 33% Laden (BBL)	Delivery Volume if 50% Laden (BBL)	Delivery Volume if 90% Laden (BBL)
1-Jan-20	Wonsan	Kum Un San	8720436	DPRK	2,070.00	5,450.34	8,259.30	14,866.74
1-Jan-20	Nampo West	Kwang Chon (Yu)	8605026	DPRK	1,966.00	5,179.02	7,844.34	14,119.81

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		Phyong 5)						
5-Jan-20	Nampo SW Offshore	Hokong	9006758	Formerly SLE	3,995.00	10,520.43	15,940.05	28,692.09
9-Jan-20	Nampo West	Unica	8514306	Formerly SLE	4,865.00	12,811.49	19,411.35	34,940.43
10-Jan- 20*	Nampo SW - E Pier	New Konk	9036387	Formerly SLE	8,057.00	21,217.30	32,147.43	57,865.37
11-Jan- 20*	Nampo SW Offshore	Sen Lin 01	8910378	Formerly SLE	1,159.00	3,052.11	4,624.41	8,323.94
11-Jan- 20*	Nampo SW Offshore	Subblic	8126082	Formerly TGO	5,989.00	15,771.43	23,896.11	43,013.00
13-Jan- 20	Nampo SW Offshore	Kwang Chon (Yu Phyong 5)	8605026	DPRK	1,966.00	5,179.02	7,844.34	14,119.81
14-Jan- 20	Nampo SW Offshore	An San 1	7303803	DPRK	3,003.00	7,908.10	11,981.97	21,567.55
18-Jan- 20*	Nampo SW - Ctr Pier	Sam Jong 2	7408873	DPRK	2,507.00	6,601.93	10,002.93	18,005.27
21-Jan- 20	Nampo SW Offshore	Unica	8514306	Formerly SLE	4,865.00	12,811.49	19,411.35	34,940.43
22-Jan- 20	Nampo SW - E Pier	Hokong	9006758	Formerly SLE	3,995.00	10,520.43	15,940.05	28,692.09
23-Jan- 20	Nampo Shipyard	Kum Jin Gang 3 (Wan Heng 11)	8791667	DPRK	4,983.00	13,119.12	19,882.17	35,787.91
23-Jan- 20	Haeju	Myong Ryu 1	8532413	DPRK	817.00	2,154.60	3,259.83	5,867.69
30-Jan- 20*	Nampo SW - Ctr Pier	Sam Jong 1	8405311	DPRK	1,665.00	4,384.61	6,643.35	11,958.03
30-Jan- 20*	Nampo West	Subblic	8126082	Formerly TGO	5,989.00	15,771.43	23,896.11	43,013.00
31-Jan-	Munchon	Chil Bo	8711021	DPRK				

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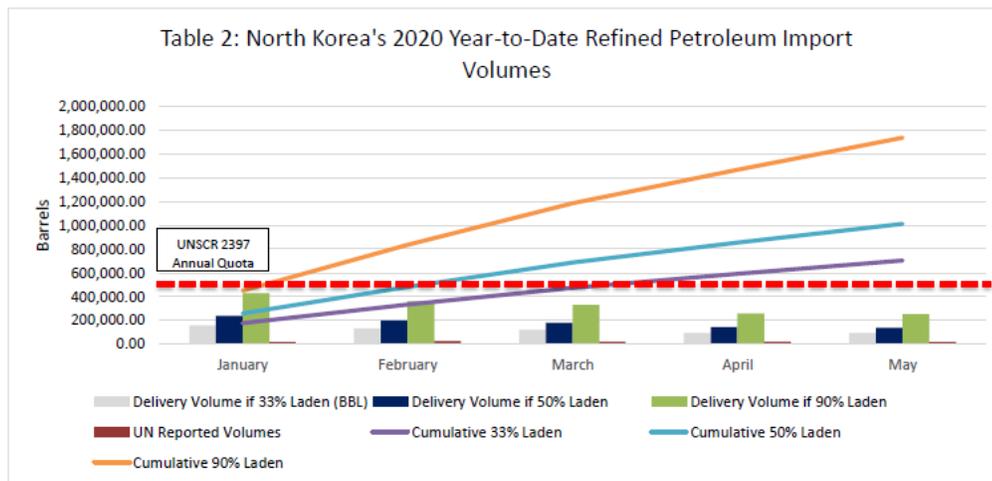
20	Up	San			1,999.00	5,264.17	7,976.01	14,356.82
4-Feb-20	Chongjin West	Chon Ma San	8660313	DPRK	3,565.00	9,384.48	14,224.35	25,603.83
7-Feb-20	Nampo SW Offshore	New Konk	9036387	Formerly SLE	8,057.00	21,217.30	32,147.43	57,865.37
9-Feb-20*	Nampo West	Unica	8514306	Formerly SLE	4,865.00	12,811.49	19,411.35	34,940.43
10-Feb-20*	Songnim East Pier	Hokong	9006758	Formerly SLE	3,995.00	10,520.43	15,940.05	28,692.09
13-Feb-20	Chongjin West	Sam Ma 2	8106496	DPRK	1,731.00	4,558.42	6,906.69	12,432.04
13-Feb-20*	Hungnam	Sin Pyong 2	8817007	DPRK	2,105.00	5,543.31	8,398.95	15,118.11
15-Feb-20	Chongjin East	Yu Jong 2	8604917	DPRK	1,180.00	3,107.41	4,708.20	8,474.76
20-Feb-20	Nampo SW Offshore	Pu Ryong	8705539	DPRK	3,279.00	8,634.36	13,083.21	23,549.78
23-Feb-20*	Nampo West	Subblic	8126082	Formerly TGO	5,989.00	15,771.43	23,896.11	43,013.00
26-Feb-20	Nampo SW Offshore	Chil Bo San	8711021	DPRK	1,999.00	5,264.17	7,976.01	14,356.82
27-Feb-20*	Nampo SW Offshore	Diamond 8	9132612	SLE	9,273.00	24,419.52	36,999.27	66,598.69
27-Feb-20	Songnim East Pier	Hokong	9006758	Formerly SLE	3,995.00	10,520.43	15,940.05	28,692.09
5-Mar-20*	Nampo SW Offshore	Unica	8514306	Formerly SLE	4,865.00	12,811.49	19,411.35	34,940.43
5-Mar-20	Nampo SW Offshore	Bonvoy 3	8978784	Formerly HND	2,855.00	7,518.36	11,391.45	20,504.61
16-Mar-20*	Nampo SW Offshore	New Konk	9036387	Formerly SLE	8,057.00	21,217.30	32,147.43	57,865.37
17-Mar-20	Nampo Shipyard	Yun Hong 8	UNK	CHN	2,900.00	7,636.86	11,571.00	20,827.80
23-Mar-20*	Nampo West	Hokong	9006758	Formerly SLE	3,995.00	10,520.43	15,940.05	28,692.09
24-Mar-20*	Nampo SW Offshore	Subblic	8126082	Formerly TGO	5,989.00	15,771.43	23,896.11	43,013.00

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24-Mar-20*	Nampo SW Offshore	Diamond 8	9132612	SLE	9,273.00	24,419.52	36,999.27	66,598.69
25-Mar-20	Nampo SW - E Pier	Unica	8514306	Formerly SLE	4,865.00	12,811.49	19,411.35	34,940.43
31-Mar-20	Nampo SW Offshore	Bonvoy 3	8978784	Formerly HND	2,855.00	7,518.36	11,391.45	20,504.61
8-Apr-20*	Nampo West	New Konk	9036387	Formerly SLE	8,057.00	21,217.30	32,147.43	57,865.37
12-Apr-20*	Nampo West	Subblic	8126082	Formerly TGO	5,989.00	15,771.43	23,896.11	43,013.00
20-Apr-20	Songnim East Pier	Unica	8514306	Formerly SLE	4,865.00	12,811.49	19,411.35	34,940.43
21-Apr-20*	Nampo West	Hokong	9006758	Formerly SLE	3,995.00	10,520.43	15,940.05	28,692.09
24-Apr-20	Nampo West	New Konk	9036387	Formerly SLE	8,057.00	21,217.30	32,147.43	57,865.37
29-Apr-20	Nampo SW - W Pier	Run Da	8511172	MNG	4,999.00	13,164.37	19,946.01	35,902.82
15-May-20	Nampo West	New Konk	9036387	Formerly SLE	8,057.00	21,217.30	32,147.43	57,865.37
18-May-20	Najin	Song Won	8613360	DPRK	2,101.00	5,532.77	8,382.99	15,089.38
24-May-20	Nampo SW - Ctr Pier	Sam Jong 2	7408873	DPRK	2,507.00	6,601.85	10,002.93	18,005.27
24-May-20	Chongjin West	Subblic	8126082	Formerly TGO	5,989.00	15,771.43	23,896.11	43,013.00
24-May-20	Wonsan	Sin Pyong 2	8817007	DPRK	2,105.00	5,543.71	8,398.95	15,118.11
25-May-20	Songnim East Pier	Ji Song 6	8898740	DPRK	1,250.00	3,291.75	4,987.50	8,977.50

25-May-20	Wonsan	Yu Jong 2	8604917	DPRK	1,180.00	3,107.41	4,708.20	8,474.76
25-May-20	Wonsan	Chon Myong 1	8712362	DPRK	2,750.00	7,241.85	10,972.50	19,750.50
26-May-20	Chongjin West	Yu Son	8691702	DPRK	3,398.00	8,947.97	13,558.02	24,404.44
28-May-20	Nampo West	Sam Jong 1	8405311	DPRK	1,665.00	4,385.01	6,643.35	11,958.03
28-May-20	Kimchaek	Nam San 8	8122347	DPRK	3,150.00	8,295.21	12,568.50	22,623.30
29-May-20*	Nampo West	Ji Song 6	8898740	DPRK	1,250.00	3,291.75	4,987.50	8,977.50
<b>TOTAL</b>						<b>597,625.39</b>	<b>905,494.59</b>	<b>1,629,890.26</b>

Note: “\*” Denotes imagery available for these deliveries into the DPRK. The deliveries from the imagery alone breach the 2020 cap.



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As Table 2 above demonstrates, even if only illicit imports via STS transfers are analyzed, the DPRK has clearly surpassed the UNSCR 2397 refined petroleum products import cap in 2020. In the scenario in which all of the 56 deliveries included fully laden tankers, the DPRK has already imported more than triple the UNSCR 2397-allowed import volume for the year, with 1,629,890.26 barrels of imported as of May 30. If all the DPRK deliveries were conducted by tankers only half laden – a highly unlikely scenario – the DPRK has still already exceeded the UNSCR 2397 import cap for the year, with non-reported import volumes of more than 905,494.59 barrels. Even in the most unlikely of scenarios, in which each tanker in the 56 observed deliveries unloaded only one-third of its capacity, the DPRK has still exceeded the annual cap, with 597,625.39 barrels in illicit imports. As of the submission of this report, China and Russia collectively have reported 106,094.17 barrels of refined petroleum product transfers to the UN 1718 Committee for the months of January through May, bringing the DPRK's overall total of refined petroleum product imports in 2020 to more than 1.735 million barrels, as of May 30, 2020.

Given the evidence provided herein and that under all three scenarios of illicit import volumes clearly show that the DPRK has exceeded the UNSCR 2397 refined petroleum products import cap, we request that the 1718 Committee immediately make an official determination that the aggregate amount of refined petroleum products sold, supplied, or transferred to the DPRK in 2020 has exceeded the 500,000 barrel annual cap and inform Member States that they must immediately cease selling, supplying, or transferring refined petroleum products to the DPRK for the remainder of the year. Similarly, the Panel of Experts is requested to review this report's analysis and underlying evidence in order to make a determination in their 2020 mid-term report on the volume of refined petroleum product imports to the DPRK and the associated implications for the implementation of UNSCR 2397's refined petroleum product import cap.

## SAM JONG 2 – JIANG NING 3 STS TRANSFER EAST CHINA SEA JANUARY 9, 2020

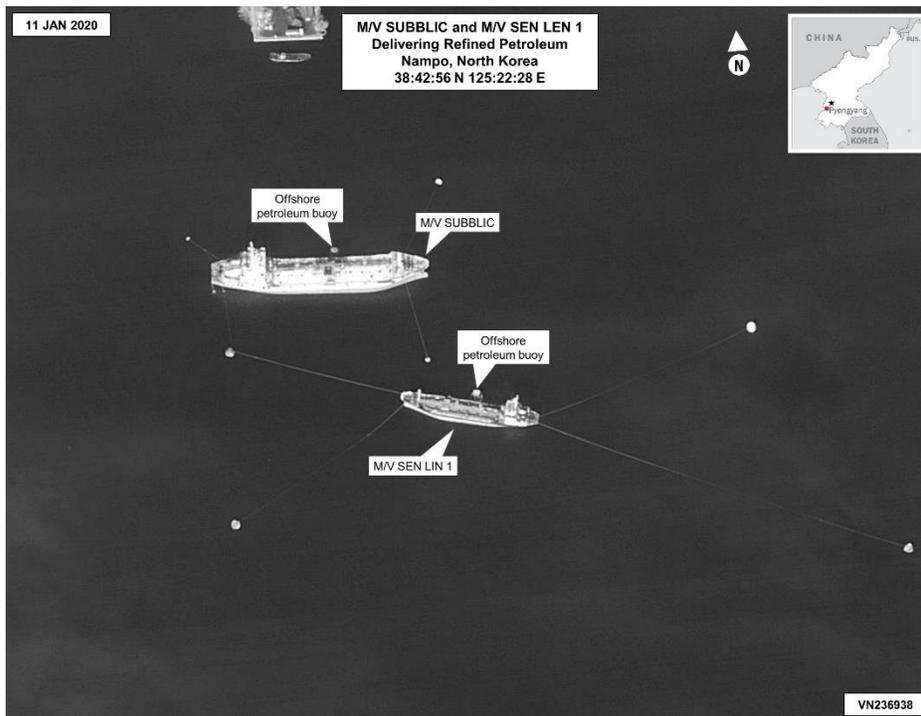
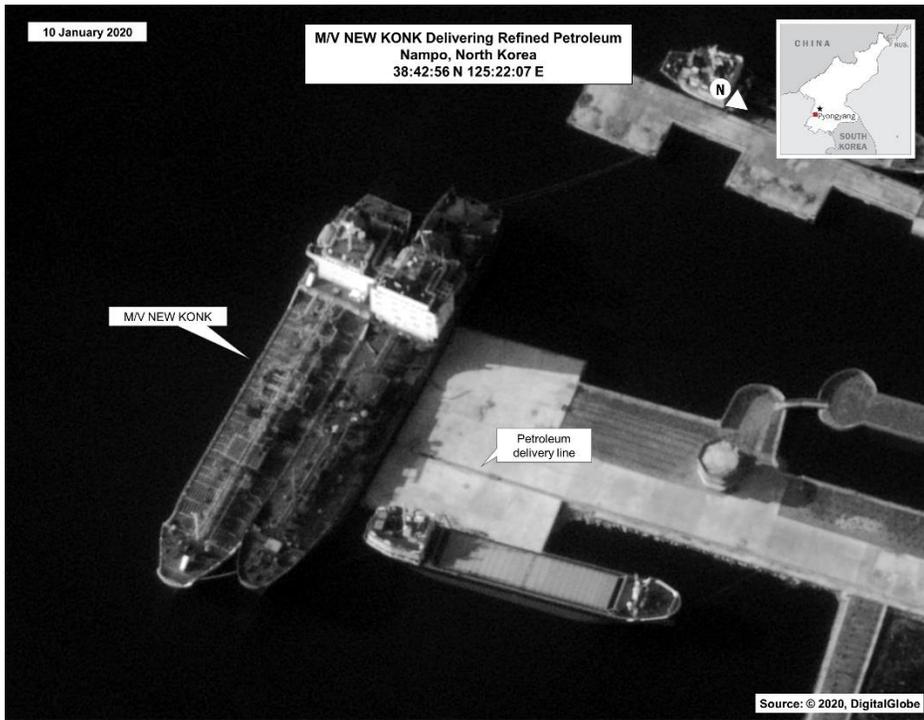


Upper row:  
JIANG NING 3

## MYONG RYU 1– INFINITE LUCK STS TRANSFER EAST CHINA SEA JANUARY 10, 2020

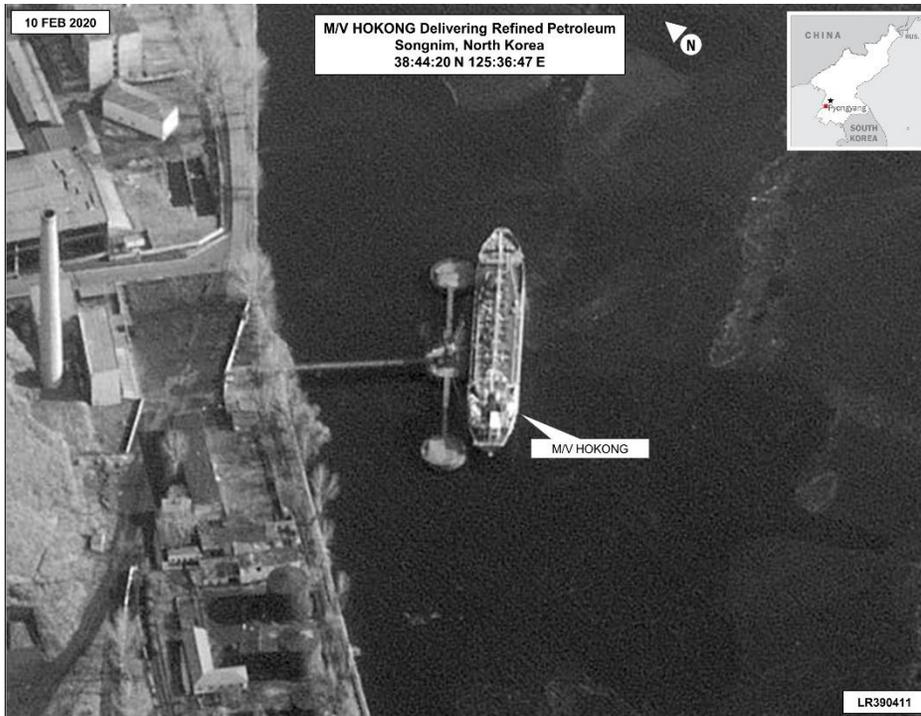


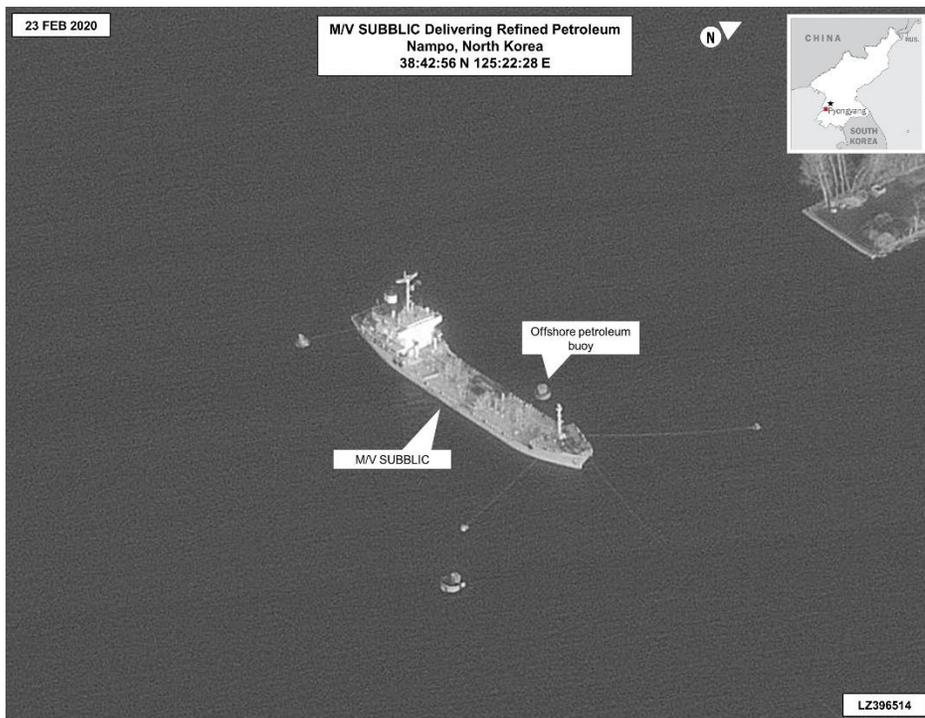
INFINITE LUCK	
FLAG	PANAMA
SHIP TYPE	CHEMICAL/PETROLEUM PRODUCT TANKER
GROSS TONNAGE	4,646/7,902
IMO	9063811
MMSI	3541520
SHIP OWNER	UNIFORM SHIPPING CO LTD (HONG KONG)

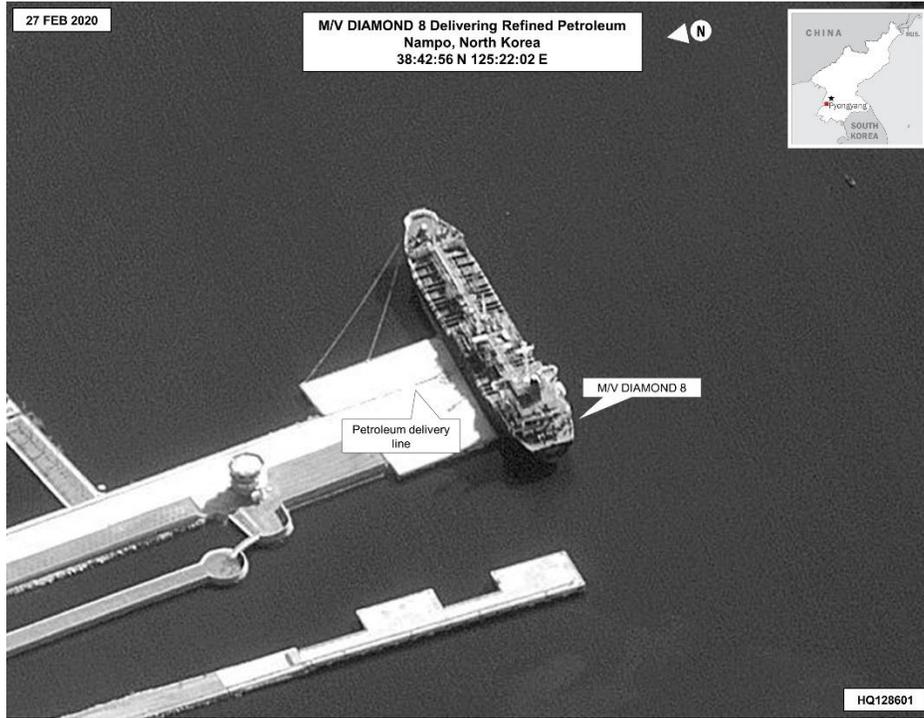




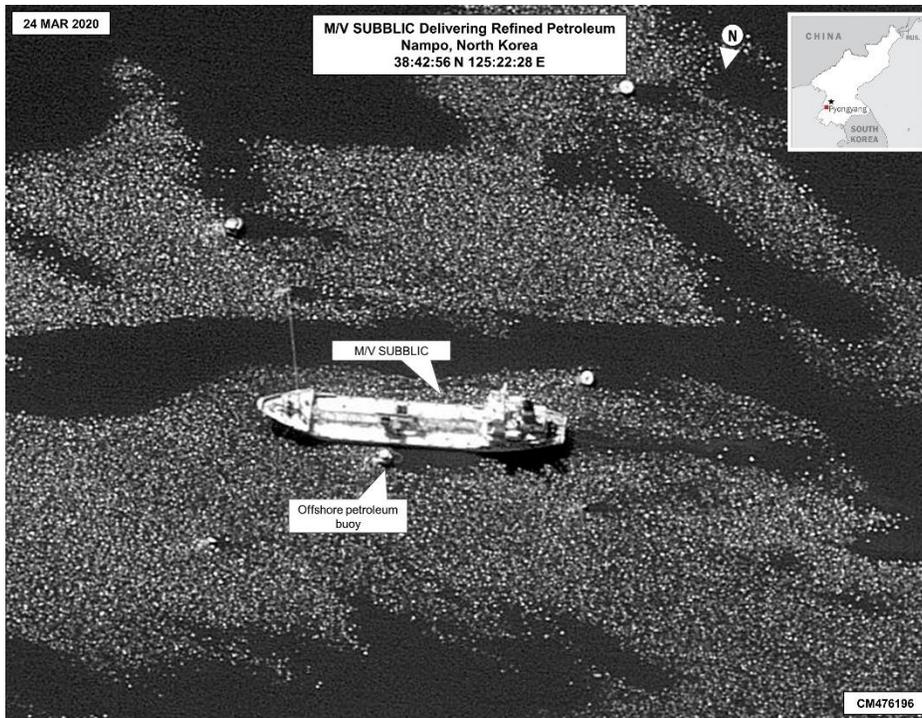


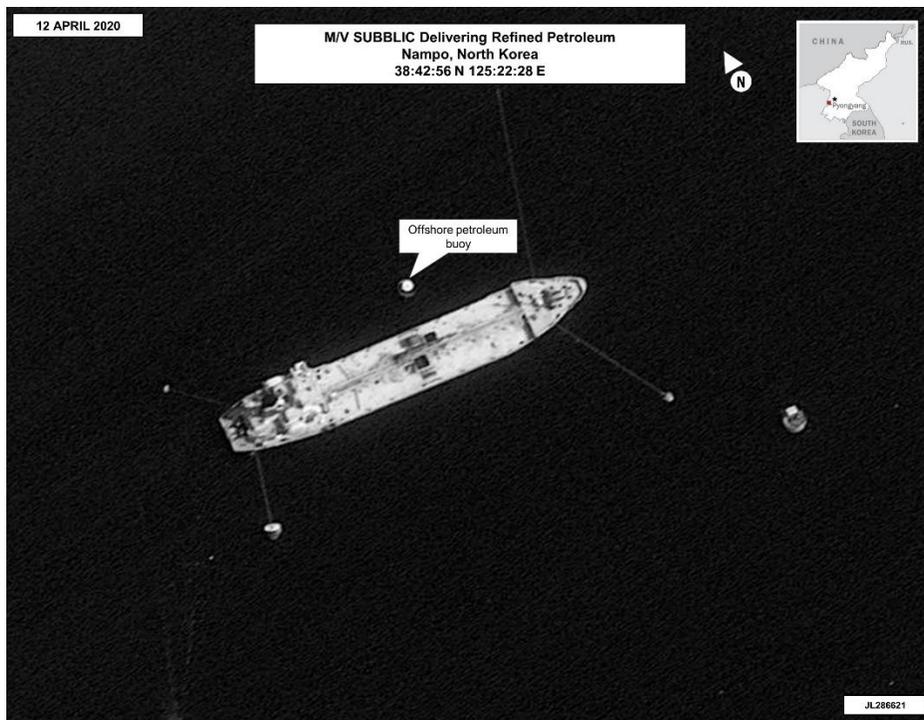


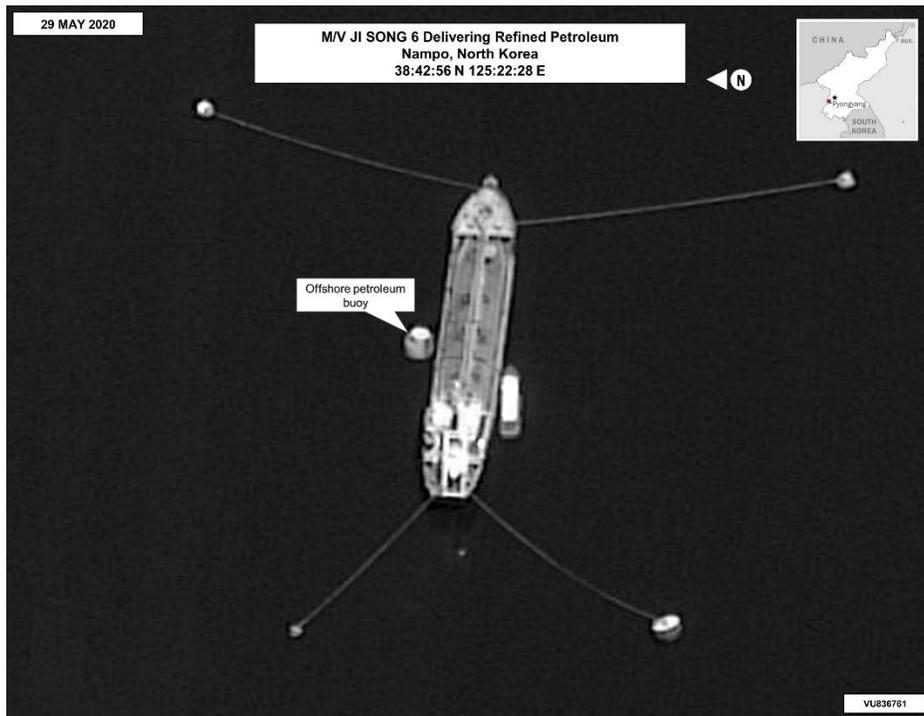












Source: Member States

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**Annex 16: Communications dated 27 July 2020 from the delegations of China, the Russian Federation and the United States addressed to the 1718 Committee****(1) Communication from the delegation of the People's Republic of China**

Dear colleagues,

We would like to make the following comments on this proposal:

Firstly, any decision and action of the Committee should be made on the basis of solid evidence and sufficient facts. The report in this proposal did not provide an accurate amount of refined petroleum products in each shipment, and the conclusion of the report is only based on assumptions and estimations. It is neither scientific nor prudent to reach a conclusion that the annual limit has been exceeded based on estimations. In addition, the report mentioned 56 suspected illicit deliveries, but only a small portion of them were provided with imagery.

Secondly, the report included an unfounded converted amount of refined petroleum products China and Russia provided to the DPRK in barrels. I would like to point out that the notifications of China and Russia were in tons, and the Committee has yet to reach an agreement on the conversion rate between ton and barrel.

We request the Panel of Experts fully reflect the above comments in its 2020 mid-term report. Please also be noted that further action is to be taken on this proposal in due time.

Best regards,  
Xin

**(2) Communication from the delegation of the Russian Federation**

Dear colleagues,

We would also like to share our views on this proposal.

1. We would like to recall the provisions of paragraph 5 of resolution 2397, which stipulates that the Committee notifies all Member States when an aggregate amount of refined petroleum products sold, supplied, or transferred to the DPRK of 75, 90 and 95 per cent of the aggregate yearly amounts of 500 000 barrels have been reached, and only in the latter case (95 per cent), such notification is accompanied by an information about the requirement to immediately cease further deliveries of refined petroleum products to the DPRK for the remainder of the year. Without the aforementioned notification, export of refined petroleum products to the DPRK is fully in line with the requirements of the 1718 sanctions regime.

2. We are carefully studying the report that is attached to the proposal. At the same time we've already noticed that it does not provide objective, accurate and verifiable information or have enough solid imagery evidence.

3. Russia and China provide its information on the petroleum exports to the DPRK in tons. The conversion rate issue is still under the consideration in the Committee. Attempts to convert the amount in barrels are ill-founded.

4. We request the Panel of Experts to fully reflect our considerations on that in its 2020 mid-term report. Our action on this proposal will follow in due course.

Best regards,

Alexey

**(3) Communication from the delegation of the United States of America**

Colleagues,

1) China and Russia's annual obstructionist response to these reports is intended to prevent the UN from accounting for the large-scale, illicit refined petroleum product imports that the DPRK maintains while offering no alternative for how to reflect these volumes, which are being documented with irrefutable evidence.

2) The images included in the report are robust in their quality and quantity and clearly demonstrate a breach of the cap. 43 countries affirmed that this evidence is beyond sufficient for the Committee to affirm that the cap has been surpassed. The only countries that have issue with this are Russia and China.

3) The United States, other Committee Members, and the Panel have made extensive efforts to resolve the ton to barrel conversion issue. China and Russia's refusal to enter those discussions in good faith to reach a resolution and its comments in response to this report only reinforce that their intentions are to obstruct the Committee's responsibility to maintain an accurate accounting of the DPRK's actual refined product imports. As has been demonstrated meticulously to the Committee, there is nothing preventing China and Russia from submitting its reports in barrels, as UNSCR 2397 OP 5 requires. Chinese and Russian energy companies use the same conversion rate that has been proposed, as seen in the attached.

4) We note that the Panel of Experts is fully independent and should not be swayed by the Russian and Chinese requests to incorporate their erroneous and deficient complaints in the midterm report. However, if they are included, we request that the above considerations and attached documentation also be included.

Best regards,

Jonathan

Attachment to the Communication from the United States of America

The BP conversion chart, which is used in the 43 Member State proposal, is cited by industry participants as an authoritative source for energy modeling, projections, and data. The [Platts conversion factors](#), which are used in China and Russia, even cite BP. The conversion table provided in its annex is a clean, simple, and user-friendly guide for conversion rates for the most frequently consumed and traded refined petroleum products. These conversion rates are not BP proprietary opinions but are rooted in the scientifically measurable conversions between different units of measurements employed in the international refined petroleum products trade.

As further evidence of the uniformity with which these standards are applied, please find examples of conversion rates utilized by Chinese and Russian companies that are identical to those cited in the BP energy outlook document and the 43 Member State proposal. Please find four examples attached.

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Exhibit 1: A bill of lading for a PetroChina transaction involving 284,793 barrels or 38,136.253 metric tons of gasoil, representing a conversion rate of 7.46 barrels per metric ton (same as BP);

Exhibit 2: A bill of lading for a Sinochem transaction involving 125,096.44 barrels or 16,764.862 metric tons of gasoil, representing a conversion rate of 7.46 barrels per metric ton (same as BP);

Exhibit 3: A bill of lading for a China National United Oil Corporation transaction involving 313,267.50 barrels or 41,759.920 metric tons, representing a conversion rate of 7.5 barrels per metric ton (negligible disparity to BP), but which provides multiple units of measurement in the contractual documents;

Exhibit 4: A bill of lading for Russian oil major Rosneft involving 61.340 metric tons or 424 barrels of heavy petroleum fuel with both units of measurement referenced.

-----  
We note that all these bills of lading provide numerous units of measurement for the refined product in question, most notably both barrels and metric tons, which is indicative of the frequency and necessity within the global oil market to provide such data. China's decision to put the conversion rate proposal on hold, or draw doubt about the conversion rate in the 43 Member State proposal, does not represent a legitimate finding of fault with the conversion methodology; rather, it obstructs the Committee from finding a solution and renders UNSCR 2397 OP 5 meaningless.

It is unacceptable that for three years, we have not been able to implement UNSCR 2397 OP5 because two Member States refuse to notify the Committee of their transfers in barrels or agree to a conversion rate.

# TANKER BILL OF LADING B/L No. 1

Shipped on board in apparent good order and condition by (shipper) PETROCHINA INTERNATIONAL NORTHEAST CO., LTD on board the tanker **NORD OCEANIA** /VOY 0005 at the port of DALIAN, CHINA where of CAPT SAWANT ONKAR NANDKUMAR is the Master, to be delivered to the port of ONE OR MORE SAFE PORTS, AUSTRALIA Consignee/Order of:

Notify: \*\*\*\*\*

	PACKING IN BULK,	38136.253 METRIC TONS	<b>ORIGINAL</b>
GASOIL 10PPM	NET WEIGHT:	37535.682 LONG TONS	
		45253.685 KILOLITRES @ 15 DEG C	
		284793 US BBLs @ 60 DEG F	
		45831.334 KILOLITRES @ 30 DEG C	
		45892.001 KILOLITRES @ OBSERVED TEMP	

FREIGHT PAYABLE AS PER CHARTER PARTY CLEAN ON BOARD

\*\*\*\*\*

The quantity, measurement, weight, gauge, quality, nature and value and actual condition of the cargo unknown to the Vessel and the Master, to be delivered at the port of discharge or so near thereto as the Vessel can safely get, always afloat upon prior payment of freight as agreed. This shipment is carried under and pursuant to the terms of the Charter dated at \_\_\_\_\_ And \_\_\_\_\_ as Charterer, and all the terms whatsoever of the said Charter except the rate and payment of freight specified therein apply to and govern the rights of the parties concerned in this shipment. Copy of the Charter may be obtained from the Shipper or Charterer. The freight is earned concurrent with loading, ship and/or cargo lost, or not lost or abandoned.

The Owner shall have an absolute lien on the cargo for all freight, deadfreight, demurrage/detention and costs/expenses including attorney's fees, of recovering the same, which lien shall continue after delivery of the cargo into the possession of the Charterer, or of the holders of any bills of lading covering the same, or of any stevedorman. In the event the charter party is not sufficiently incorporated above, any and all disputes arising out of this bill are to be arbitrated in London or New York, at Owner's/Carrier's option, subject to the Exonvoy 84 arbitration clause.

If this Bill of Lading is a document of title to which the Carriage of Goods by Sea Act of the United States, approved April 16, 1936 or similar legislation giving statutory effect to the International Convention for the Unification of Certain Rules relating to Bills of Lading at Brussels of August 25, 1924, applies by reason of the port of loading or discharge being in territory in which the said Act or other similar legislation is in force, this Bill of Lading shall have effect subject to the provisions of the said Act or other similar legislation, as the case may be, which shall be deemed incorporated herein, and nothing herein contained shall be deemed a surrender by the carrier of any of its rights or immunities or an increase of any of its responsibilities or liabilities under said Act or other similar legislation. If any term of this Bill of Lading is repugnant to the said Act or other similar legislation as so incorporated, such terms shall be void to that extent but no further. [The contract of carriage evidenced by this Bill of Lading is between the shipper, consignee and /or owner of the cargo and the owner or demise charterer of the vessel named herein to carry the cargo described above. It is understood and agreed that, other than said ship owner or demise charterer, no person, firm or corporation or other legal entity whatsoever, is or shall be deemed to be liable with respect to the shipment as carrier, bailee or otherwise in contract or in tort. If, however, it shall be adjudged that any other than said shipowner or demise charterer is carrier or bailee of said shipment or under any responsibility with respect thereto, all limitations of or exonerations from liability and all defenses provided by law or by the terms of the contract of carriage shall be available to such other.]

In Witness Whereof, the Master has signed THREE/THREE(ORIGINAL).

Bills of Lading of this tenor and date, one of which being accomplished, the others will be void.

Dated at DALIAN, CHINA this 6<sup>th</sup> day of JAN 2020  
MASTER

  
**NORD OCEANIA**  
MASTER

出口舱单

EXPORT MANIFEST



大连金田船务代理有限公司  
GOLDENFIELD SHIPPING AGENCY DALIAN CO., LTD

SHIPPER; CONSIGNEE; NOTIFY PARTY	BL NO.	MARKS AND NUMBERS	DESCRIPTION OF GOODS	GROSS WEIGHT	MEASUREMENT	FREIGHT	REMARK	NAME OF SHIP		VOY NO.	PORT OF LOADING	PORT OF DISCHARGE	FINAL DESTINATION	DATE OF SAILING FROM LOADING PORT
								NATIONALITY OF SHIP	OCEANIA	0005				
SHIPPER: PETROCHINA INTERNATIONAL NORTHEAST CO., LTD CONSIGNEE: [REDACTED] LTD. NOTIFY : *****	1	N/M	GASOL. 10PPM CLEAN CN BOARD	38136253.00 KGS		FREIGHT PAYABLE AS PER CHARTER PARTY		NORD OCEANIA	PANAMA	0005	DALIAN, CHINA	ONE OR MORE SAFE PORTS, AUSTRALIA	ONE OR MORE SAFE PORTS, AUSTRALIA	2020.01.06
TOTAL:				38136253.00 KGS										

NORD OCEANIA  
MASTER

*[Handwritten signature]*



东北中石油国际事业有限公司  
*PetroChina International Northeast Co., Ltd*

**CERTIFICATE OF ORIGIN**

*COPY*

DALIAN, CHINA

SHIPMENT No.: 0005 6-Jan-2020

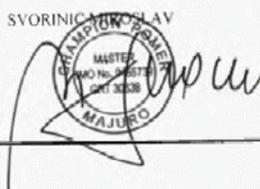
MARKS & NOS.	COMMODITY	QUANTITY	
N/M	GASOIL 10PPM	38136.253 284793	MT BBL

THIS IS TO CERTIFY THAT THE ABOVE MENTIONED COMMODITIES WERE PRODUCED OR MANUFACTURED IN CHINA.

东北中石油国际事业有限公司  
PETROCHINA INTERNA-  
TIONAL NORTHEAST CO., LTD.

PETROCHINA INTERNATIONAL NORTHEAST CO.,LTD.

**COPY**  
**NON-BILL OF LADING**

Consignor <b>SINOCHEM INTERNATIONAL OIL (SINGAPORE) PTE LTD</b>		Bill No. <b>ZS1</b>	
Consignee [REDACTED]		Nationality of Ocean Vessel	
Notify Party [REDACTED]		<p>Shipped on board the vessel named herein in apparent good order and condition (unless otherwise indicated) the goods or packages specified herein and to be discharged at the above mentioned port of discharge or as near thereto as the vessel may safely get and be always afloat.</p> <p>The weight, measure, marks, numbers, quality, contents and value, being particulars furnished by the Shipper, are not checked by the Carrier on loading. The Shipper, Consignee and the Holder of this Bill of Lading hereby expressly accept and agree to all printed, written or stamped provisions, exceptions and conditions of this Bill of Lading, including those on the back hereof. One of the Bills of Lading duly endorsed must be surrendered in exchange for the goods or delivery order.</p> <p>In witness whereof, the Carrier or his Agents has signed Bills of Lading all of this tenor and date, one of which being accomplished, the others to stand void.</p> <p>Shippers are requested to note particularly the exceptions and conditions of this Bill of Lading with reference to the validity of the insurance upon their goods.</p>	
Pre-carriage by	Place of Receipt by Pre-carrier		
Ocean Vessel	Port of Loading		
<b>CHAMPION POMER</b>	<b>ZHOUSHAN, CHINA</b>		
Port of Discharge	Final destination of goods to be transhipped at port of discharge	Freight payable as	Number of original B/L's
<b>ONE OR MORE SAFE PORT(S), KOREA</b>		<b>THREE/THREE</b>	
Marks & Nos. / Collocation Nos.	Number and kind of packages, description of goods	Gross weight kgs	Measurement m <sup>3</sup>
N/M	IN BULK GASOIL  16764.862 16500.074 125096.11 19878.661 19844.055 20127.498	METRIC TONS LONG TONS US BBLS @60 DEG F KL @ 15 DEG C KL @ OBSERVED TEMPERATURE KL @ 30 DEG C	
<b>CLEAN ON BOARD</b>			
TOTAL PACKAGES (IN WORDS)			
Freight and charges		Place of B/L's issue	
<b>FREIGHT PAYABLE AS PER CHARTER PARTY</b>		<b>ZHOUSHAN CHINA / MAR.13,2020</b>	
		Signed for the Carrier	
		AS MASTER SVORINIC SLAV	
			

\*) Applicable only when document used as a Through Bill of Lading

Shipper

CHINA NATIONAL UNITED OIL CORPORATION

**BILL OF LADING**

B/L No.	1
Nationality of Ocean Vessel	

Consignee

Notify Address

Pre-carriage by

Place of Receipt by Pre-carrier

Ocean Vessel  
ARDMORE EXPORTER

Port of Loading  
DALIAN, CHINA

Port of Discharge  
MAPUTO, MOZAMBIQUE FOR ORDERS

Final destination (if goods to be transhipped at port of discharge) | Freight payable at

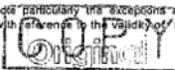
Number of original B(s)/L  
THREE (3)

Shipped on board the vessel named herein in apparent good order and condition (unless otherwise indicated) the goods or packages specified herein and to be discharged at the above mentioned port of discharge or as near thereto as the vessel may safely get and be always afloat.

The weight, measure, marks, numbers, quality, contents and value, being particulars furnished by the Shipper are not checked by the Carrier on loading. The Shipper, Consignee and the Holder of this Bill of Lading hereby expressly accept and agree to all printed, written or stamped provisions, exceptions and conditions of the Bill of Lading, including those on the back hereof. One of the Bills of Lading duly endorsed must be surrendered in exchange for the goods or delivery order.

In witness whereof, the Carrier or his Agents has signed Bills of Lading all of this tenor and date, one of which being accomplished, the others to stand void.

Shippers are requested to note particularly the exceptions and conditions of this Bill of Lading with reference to the validity of the insurance upon their goods.



Marks & Nos./Container Nos.	Number and kind of packages, description of goods	Gross weight kgs	Measurement m <sup>3</sup>
N/M	IN BULK GASOIL  TOTAL WEIGHT:  41,759.920 METRIC TONS 41,102.057 LONG TONS 313,267.50 US BBLS AT 60 DEG F 49,781.338 KILOLITRES AT 15 DEG C 50,959.285 KILOLITRES AT OBSERVED TEMP  "CLEAN ON BOARD"		
TOTAL PACKAGES (IN WORDS)			

Particulars furnished by Merchants

Freight and charges

FREIGHT PAYABLE AS PER CHARTER PARTY

Place of B(s)/L issue

DALIAN, CHINA

Dated

2020.3.14.

Signed for the Carrier

MASTER: DEV TUHIN KUMAR  
  
 ARDMORE EXPORTER

\*) Applicable only when document used as a Through Bill of Lading



**MASTER'S RECEIPT OF DOCUMENTS**

I, the undersigned Master of the \_\_\_\_\_ «ELBRUS»

Hereby acknowledge  
from the Representative of **«TRANSBUNKER-VANINO» CO. LTD**

in **port Vanino**

for further delivery to \_\_\_\_\_ SINGAPORE FOR ORDERS

Messrs. \_\_\_\_\_

Enveloped document as listed below:

	Originals	Copies
1. Bill of Lading	-	5
2. Manifest	-	5
3. Certificate of Quantity	-	5
4. Certificate of Quality	-	*
5. NOR	-	1
6. Tanker's Time-Sheet	-	1
7. Ullage Report	-	1
8. Master's Receipt of Samples	-	1
9. Certificate of Dry and Cleanliness of Vessel's Tanks/Lines/Pumps	-	1
10. Certificate of Origin	-	5
11. MSDS	-	1

\*will be released on receipt from independent inspector

Master of the

Port: VANINO, RUSSIA

Date: MAY, 27, 2020



Shipper Отправитель	ROSNEFT OIL COMPANY, JSC "ANGARSK PETROCHEMICAL COMPANY" ADDRESS:115035, RUSSIA, MOSCOW, SOFIYSKAYA NABEREZHNAJA, 26/1 ПАО «НК «РОСНЕФТЬ», ООО «АНГАРСКАЯ НЕФТЕХИМИЧЕСКАЯ КОМПАНИЯ» АДРЕС:115035, РОССИЯ, МОСКВА, СОФИЙСКАЯ НАБЕРЕЖНАЯ, 26/1			BILL OF LADING № VS-1 КОНОСАМЕНТ  COPY
Consignee Грузополучатель	[REDACTED]			
Notify address Ивещать по адресу Shipowner Судовладелец	«СОРА НАВИГАЦИОН ЛИМИТЕД» «КОРА НАВИГЕЙШН ЛИМИТЕД»	Flag Флаг	MALTA МАЛЬТА	
Vessel Судно	«ELBRUS» «ЭЛЬБРУС»	Port of loading Порт погрузки	VANINO, RUSSIA ВАНИНО, РОССИЯ	
Port of discharge Порт выгрузки	SINGAPORE FOR ORDERS СИНГАПУР ПО РАСПОРЯЖЕНИЮ		Number of Orig. Bs/L Количество оригиналов коносамента THREE ТРИ	
	Kind of packages and description of goods Наименование груза	Number of Pieces Количество мест	Gross weight Measurement Вес, объем	
	EXPORT HEAVY PETROLEUM FUEL (VGO) ТОПЛИВО НЕФТЯНОЕ ТЯЖЕЛОЕ ЭКСПОРТНОЕ (ВГО)	IN BULK НАЛИВ	61.340 IN MT (VAC) 61.268 IN MT (AIR) 60.30 LONG TONS 424 US BBLs AT 60 DEG F 67.340 CUBIC METERS AT 15 DEG C 17,797 US GALLONS AT 60 DEG F	
			Say: 61.340 (Sixty-One & 0.340 IN MT(VAC)Only) 61.268 (Sixty-One & 0.268 IN MT(AIR)Only) 60.30 (Sixty & 0.30 LONG TONS Only) 424 (Four Hundred Twenty-Four US BBLs AT 60 DEG F Only) 67.340 (Sixty-Seven & 0.340 CUBIC METERS AT 15 DEG C Only) 17,797 (Seventeen Thousand Seven Hundred Ninety-Seven US GALLONS AT 60 DEG F Only)	
			Proviso: 61.340 (шестьдесят один и 0.340 Метрических тонн вакуум) 61.268 (шестьдесят один и 0.268 Метрических тонн воздух) 60.30 (шестьдесят и 0.30 Длинных тонн) 424 (четыреста двадцать четыре Баррелей при 60° F) 67.340 (шестьдесят семь и 0.340 КУС.М. при 15° C) 17,797 (семнадцать тысяч семьсот девяносто семь Галлонов при 60° F)	
Freight and charges	"FREIGHT PAYABLE AS PER CHARTER PARTY" / "CLEAN ON BOARD" "ОПЛАТА ФРАХТА ПО ЧАРТЕРНОМУ СОГЛАШЕНИЮ" / "ЧИСТО НА БОРТУ"			
	The goods taken on board of the vessel in apparent good order and condition unless noted herein at the port of loading for carriage to the port of discharge or so near thereto as she may safely get, always shof. All particulars (weight, measure, marks, numbers, quantity, nature, value and etc.) thereof being as stated by the Merchant but unknown to the Carrier who undertakes to deliver the goods as they were actually loaded. In accepting this Bill of Lading the Merchant accepts and agrees to all stipulations, exceptions and conditions on both pages, whether written, printed, stamped or otherwise incorporated. One of these Bills of Lading must be surrendered duly endorsed in exchange for the goods. Neither the weight nor the measure of goods carried in bulk are checked by the Carrier on loading. This Bill of Lading shall have effect subject to the provisions of the Merchant Shipping Code, 1999 or the Hague/Hague-Visbi Rules, or as the case may be any other international convention applicable at the port of shipment. In witness whereof number of stated above original Bs/L. have been signed, one of which being accomplished, the others to be void.			
	VANINO, RUSSIA МАУ, 27, 2020 ВАНИНО, РОССИЯ МАУ, 27, 2020	Place and date of issue Место и дата подписания	GRIDCHIN SERGEI Master's signature Подпись капитана 	

Source: Member States

## Annex 17: Evasion methods

### *Identifier and AIS manipulation*

1. The Panel continues to observe suspect vessels displaying suspicious behaviour such as transmitting falsified or inconsistent identifiers on Automatic Identification Systems (AIS) and reporting false destinations<sup>6</sup>. It also observes vessels trading in restricted or banned commodities and exhibiting AIS transmission gaps while sailing in and around waters where illicit ship-to-ship activities typically occur. Such practices may provide grounds for further investigations by the relevant public and private sector parties of the vessels they flag, charter, operate, insure, class or finance.
2. Few, if any, non-DPRK vessels appear to transmit AIS signal in DPRK waters based on commercial maritime database platforms. Suspect vessels instead have been observed to lose their AIS signal while sailing towards DPRK waters and re-transmit once back in external waters. To obscure the DPRK connection, complicit actors also falsify shipping documentation to conceal cargo's origin or destination.

### *Flagging*

3. A number of foreign-flagged vessels that conduct sanctionable activities have been recorded as falsely flagged, as having changed flag registries in quick succession (so called flag-hopping), continued to use a country's flag following removal from a registry, or flown a flag without proper authorization, seeking to mask their illicit activity.<sup>7</sup> Some formerly foreign-flagged vessels have been reported to join the DPRK's fleet. In at least one case, a vessel that was sold on and deleted from a flag registry transmitted as a DPRK vessel shortly thereafter.

### *Fuel supply chain*

4. Suspect foreign-flagged tankers associated with illicit shipments to the DPRK have also been observed<sup>8</sup> operating outside of identified affected waters exhibiting uneconomical sailing behavior and AIS transmission gaps that suggest possible illicit ship-to-ship transfers or loading at ports.

### *Owners, operators and managers*

5. The Panel's investigations demonstrate the DPRK continues to leverage shipping companies, corporate registration services, entities and individuals across multiple jurisdictions to facilitate its activities.
6. Complicit actors have been known to not submit owner and management information on commercial maritime platforms or may be listed as undisclosed interests in the vessel's onward sale, likely to disguise the ultimate beneficial owner and to evade sanctions. Other characteristics include layered ownership and management structures, use of front companies and shell companies, and engaging multiple intermediaries removed from the actual owner.
7. In tracing the ownership and management history of suspect vessels, some vessels appear to show commercial relationships, linkages, or shared corporate secretary addresses between a vessel's historical and current owners and / or managers. In some cases, previous managers have linkages with DPRK-related shipping networks.
8. In a number of cases, the vessels' management companies manage(d) other vessels with similar risk profiles. Vessels' registered owners may be incorporated in a variety of jurisdictions but typically list operational or businesses addresses in East Asia and in Southeast Asia.

*Source:* The Panel

<sup>6</sup> Panel investigations and data on commercial maritime platforms.

<sup>7</sup> Ibid.

<sup>8</sup> Ibid.

## Annex 18: Correspondence from Indonesia



PERMANENT MISSION OF THE REPUBLIC OF INDONESIA  
TO THE UNITED NATIONS  
NEW YORK

No. 209/POL-202/VII/20

The Permanent Mission of the Republic of Indonesia to the United Nations presents its compliments to the Panel of Experts established pursuant to Security Council resolution 1874 (2009) and with reference to the latter's letter No. S/AC.49/2020/PE/OC.45 has the honor to enclose the response from the Government of Indonesia.

The Permanent Mission of the Republic of Indonesia to the United Nations avails itself of this opportunity to renew to the Panel of Experts established pursuant to Security Council resolution 1874 (2009) the assurances of its highest consideration.

New York, 23 July 2020



Panel of Experts established pursuant  
to Security Council Resolution 1874 (2009)  
New York

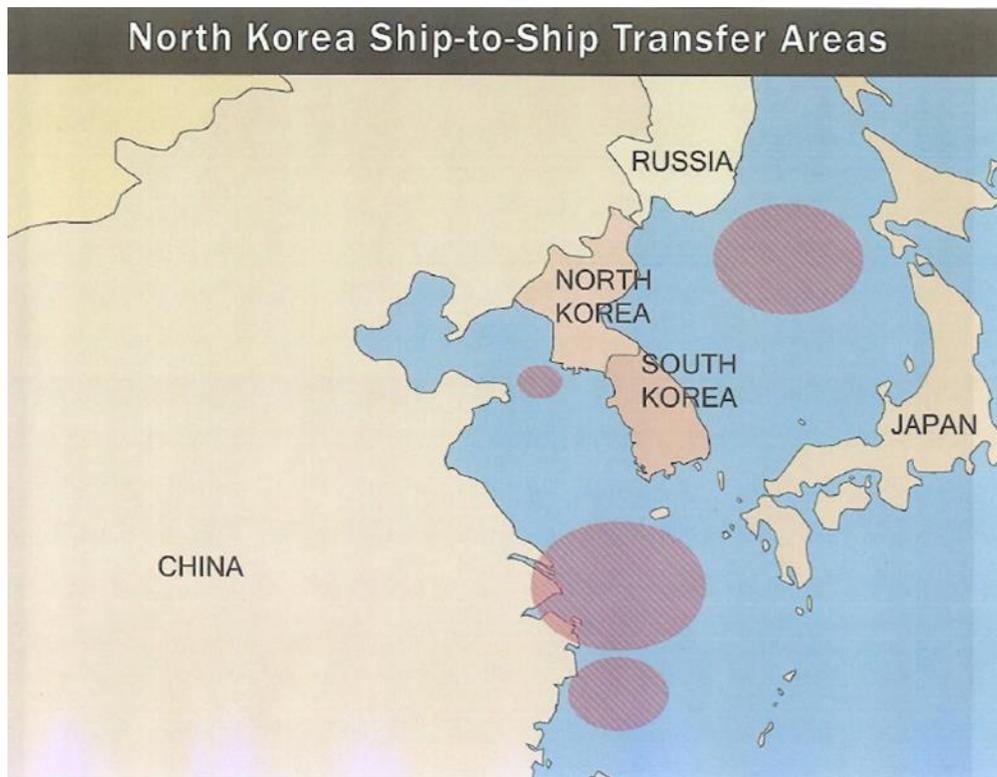
325 East 38<sup>th</sup> Street, New York, NY 10016 • Tel.: (212) 972-8333 • Fax: (212) 972-9780  
www.indonesiamission-ny.org • email:ptri@indonesiamission-ny.org

**Information on the Vanguard Ship Management Co. Ltd**

1. With regard to the Panel of Experts established pursuant to UNSC Resolution 1874 (2009) letter No. S/AC.49/2020/PE/OC.45 dated 1 May 2020, the Government of the Republic of Indonesia would like to convey further relevant information, as follows:
  - a. Vanguard Ship Management Co. Ltd. is not a registered shipping agency operating in Indonesia. Accordingly, Indonesian law does not recognize '**Co. Ltd.**' as the standard format of individual and non-individual business entity as specified in the company's name of Vanguard Ship Management Co. Ltd.
  - b. Neither licenses nor appropriate permits have been issued on behalf of the said company by relevant authorities. The Vanguard Ship Management Co. Ltd and the Sierra-Leone-Flagged ship of Diamond 8 (IMO: 9132612) are not listed in relevant authorities' databases and thus no other supplementary information is available. In the absence of national law violations, the Government is unable to share further information.
2. The Government of the Republic of Indonesia reiterate its continued commitment to the implementation of relevant UNSC resolutions on DPRK in accordance with prevailing national laws and regulations.

*Source:* Member State

**Annex 19: Areas affected by illicit ship-to-ship transfers by DPRK tankers**



Source: Member State

## Annex 20: DPRK vessels conducting ship-to-ship transfer in the East China Sea

### *Sam Jong 2 and an unidentified vessel*

1. The designated DPRK vessel *Sam Jong 2* (IMO: 7408873)<sup>9</sup> was photographed at night in the East China Sea on or around 9 January 2020 moored and with hoses connected to an unidentified vessel with a Chinese name reported to be transliterated as the *Jiang Ning 3* (figure 20-1). The Member State that provided the information assessed that refined petroleum transfers had occurred. The *Sam Jong 2* was captured on satellite imagery delivering refined petroleum at Nampo's center pier nine days later.

Figure 20-1: *Sam Jong 2* ship-to-ship transfer with *Jiang Ning 3*

### SAM JONG 2 – JIANG NING 3 STS TRANSFER EAST CHINA SEA JANUARY 9, 2020



Source: Member State

### *Myong Ryu 1 and the Infinite Luck*

1. The Panel is investigating a ship-to-ship transfer between the DPRK vessel *Myong Ryu 1* (IMO: 8532413)<sup>10</sup> and the Panama-flagged *Infinite Luck* (IMO: 9063811) on or around 10 January 2020 according to information from a Member State (figure II).

Figure 20-2: *Myong Ryu 1* ship-to-ship transfer with *Infinite Luck*

### MYONG RYU 1– INFINITE LUCK STS TRANSFER EAST CHINA SEA JANUARY 10, 2020



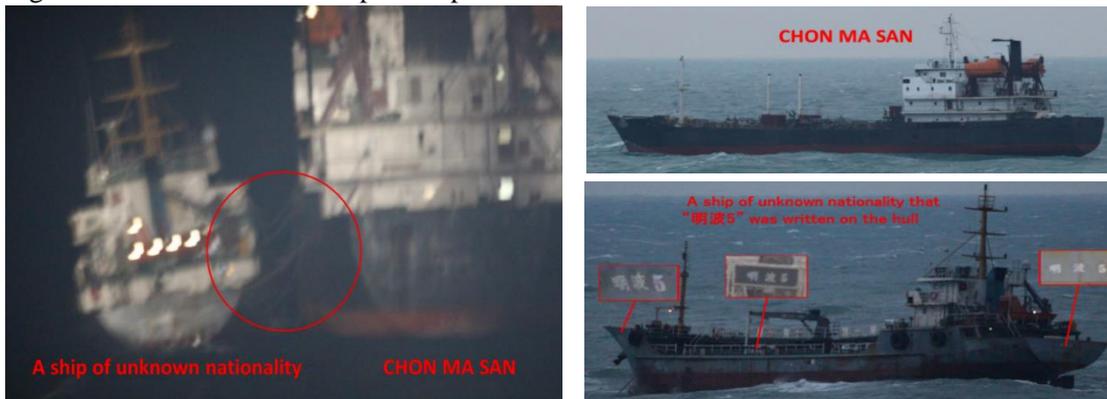
Source: Member State

<sup>9</sup> Designated for an asset freeze and port ban in March 2018.

<sup>10</sup> Recommended by the Panel for designation. See paragraphs 40 and 46, S/2020/151, and paragraph 50, S/2019/171.

3. Panama has provided documentation on the *Infinite Luck* including positional data which the Panel is reviewing. The *Myong Ryu I* has no tracking data on commercial maritime databases. The *Infinite Luck*'s registered owner is listed as Uniform Shipping Co Ltd HK (hereafter Uniform Shipping).<sup>11</sup> The Panel has yet to receive a reply from Uniform Shipping. Investigations continue.
4. The *Chon Ma San* was reported by another Member State to have conducted another ship-to-ship transfer on or around 12 January 2020 in the East China Sea with a vessel with “明波5” painted on its hull (Figure III). The Panel had prior reported the *Chon Ma San* conducting ship-to-ship transfers of refined petroleum with direct delivery vessels the *Tianyou* (aka *Sin P(h)yong 2*) in March 2019, and a suspected transfer with the *Subblic* when it was sailing as the *Xin Yuan 18* in February 2018.

Figure 20-3: Chon Ma San ship-to-ship transfer with unidentified vessel



Source: Member State

Source: The Panel

<sup>11</sup> Companies Registry (Hong Kong), Integrated Information System.

Annex 21: Ship particulars for the *Courageous* (IMO: 8617524)SHIP PARTICULARS

VESSEL	:	MT COURAGEOUS
OWNER	:	NEW EASTERN SHIPPING CO., LTD
MANAGER	:	COURAGEOUS MARITIME S.A
PORT OF REGISTRY	:	KRIBI
TYPE	:	STEEL TANKER
FLAG	:	CAMEROON
OFFICIAL NO	:	K-73/JP/2019
IMO NO	:	8617524
CALL SIGN	:	TJMC83
YEAR BUILT	:	1988
WHERE BUILT	:	JAPAN
CLASS	:	
VESSEL'S BOTTOM	:	SINGLE HULL, DOUBLE BOTTOM
FULL SPEED	:	12 KNOTS
SERVICE SPEED	:	10 KNOTS
REGISTERED DIMENSIONS --		
LENGTH	:	85M
BREADTH	:	10M
DEPTH	:	6M
LOA	:	90M
AIR DRAFT	:	23M
LOCAL FREEBOARD		
TROPICAL	:	1.122M
SUMMER	:	1.222M
SUMMER DEADWEIGHT,	:	3912 M/TONS
LOADED DISPLACEMENT,	:	5342 M/TONS
LIGHT WEIGHT,	:	1430 M/TONS
LIGHT DISPLACEMENT,	:	2900 M/TONS
GRT / NRT	:	2734 / 1340
DEADWEIGHT	:	4418 MT
CAPACITY	:	4707 M <sup>3</sup>
DISPLACEMENT	:	5342.09 MT
NUMBER OF TANKS	:	5 X 2
NUMBER OF MANIFOLD	:	4 UNITS
CARGO TANK CAPACITY	:	4700 CBM
BOW TO CENTRE MANIFOLD DISTANCE	:	46.4 M
BALLAST TANK CAPACITY	:	NO
TYPE OF MANIFOLD	:	ANSI 8 x1 8 x3
MAX SHORE LOADING RATE	:	600 CBM/HR
GENERATORS	:	2X YANMAR
MAIN ENGINE	:	HANSHIN DIESEL 6 EL 35
TRADE LIMIT	:	A1 + A2 + A3
COATING / TYPE	:	YES / EPOXY
HEATING / COIL TYPE / MAX TEMPERATURE	:	NOY FITTED COILS,
CARGO PUMP CAPACITY / TYPE	:	3 x GEAR HORIZONTAL / 300 CBM /HR
NO. OF GRADE	:	3
DOUBLE BOTTOM / COATING	:	YES / EPOXY
MAIN ENGINE,	:	HANSHIN- 6EL35
BHP	:	3200PS / 2354 KW x 260 RPM
SPEED / CONSUMPTION	:	ABT. 10 KNOTS / ABT 6.8MT PER 24 HRS RUNNING
TYPE OF FUEL	:	M.G.O
GENERATOR NO. / TYPE,	:	2 x YANMAR. SL165 YANMAR
CONSUMPTION	:	ABT. 1.36 MT PER 24 HRS RUNNING
TYPE OF FUEL	:	M.G.O

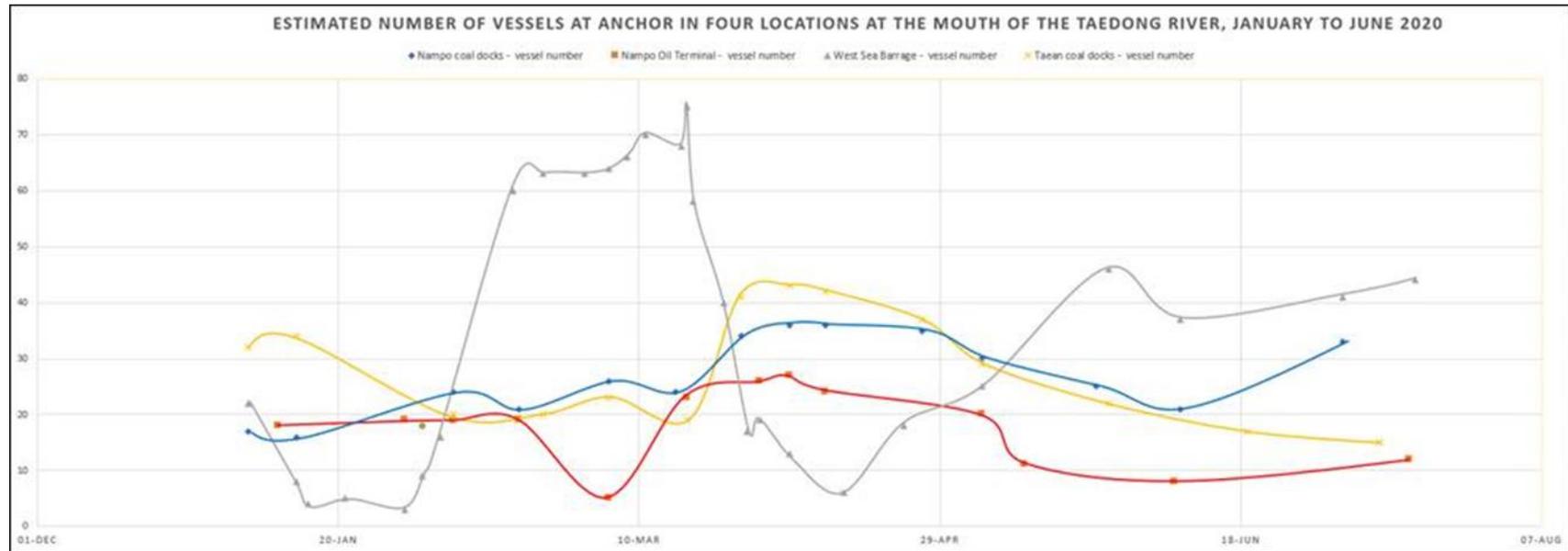
Source: Member State

**Annex 22: Port clearance certificate of the Viet Tin 01**

 <b>MARITIME AND PORT AUTHORITY OF SINGAPORE</b> <b>REPUBLIC OF SINGAPORE</b> <small>THE MARITIME AND PORT AUTHORITY OF SINGAPORE ACT (CHAPTER 170A)</small> <b>PORT CLEARANCE CERTIFICATE</b>	
Certificate No.	E75954
GDV No.	052687
Name Of Vessel	VIET TIN 01
IMO No.	8508838
Gross Tonnage	2998
Flag	VIET NAM
Name Of Master	[REDACTED]
Cargo	1472 Freight Tonnes
Next Port Of Call	O P HONG KONG HONG KONG
Date And Time Of Departure	03/02/2019 0100 hrs
Date And Time Of Issue	02/02/2019 1921 hrs
Remarks	Valid Till 04/02/2019 1920 hrs And For One Trip ONLY
<p>TO CONFIRM THE AUTHENTICITY OF THIS DOCUMENT, PLEASE VISIT OUR WEBSITE AT:  <a href="https://marinet.mpa.gov.sg/jpsmn2/cv/public_service/pcc/loadEnquiryPCC.action">https://marinet.mpa.gov.sg/jpsmn2/cv/public_service/pcc/loadEnquiryPCC.action</a></p>	
<p>THIS IS A COMPUTER GENERATED CERTIFICATE  NO SIGNATURE IS REQUIRED</p> <p>_____  FOR PORT MASTER</p>	

Source: The Panel

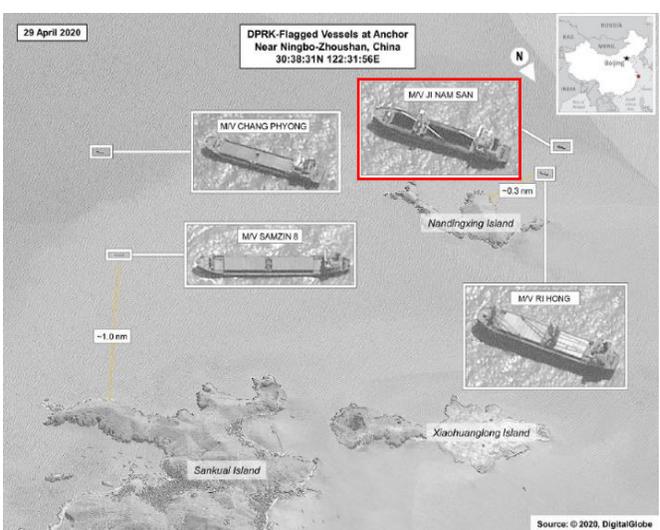
## Annex 23: Estimated number of vessels at anchor in four locations at the Taedong river, January to June 2020



Satellite imagery (January to June 2020) : Nampo coal docks (38°43'33.83"N 125°24'53.81"E); Nampo Oil Terminal (38°42'56.98"N 125°22'7.42"E); West Sea Barrage (38° 40' 53" N 124° 54' 57" E - 38°40'35.55"N 125°10'33.33"E); Taean coal docks (A.38°49'12.38"N 125°31'45.81"E - B.38°49'31.34"N 125°31'26.74"E - C.38°50'32.46"N 125°31'18.47"E - D.38°50'49.38"N 125°31'20.62"E)

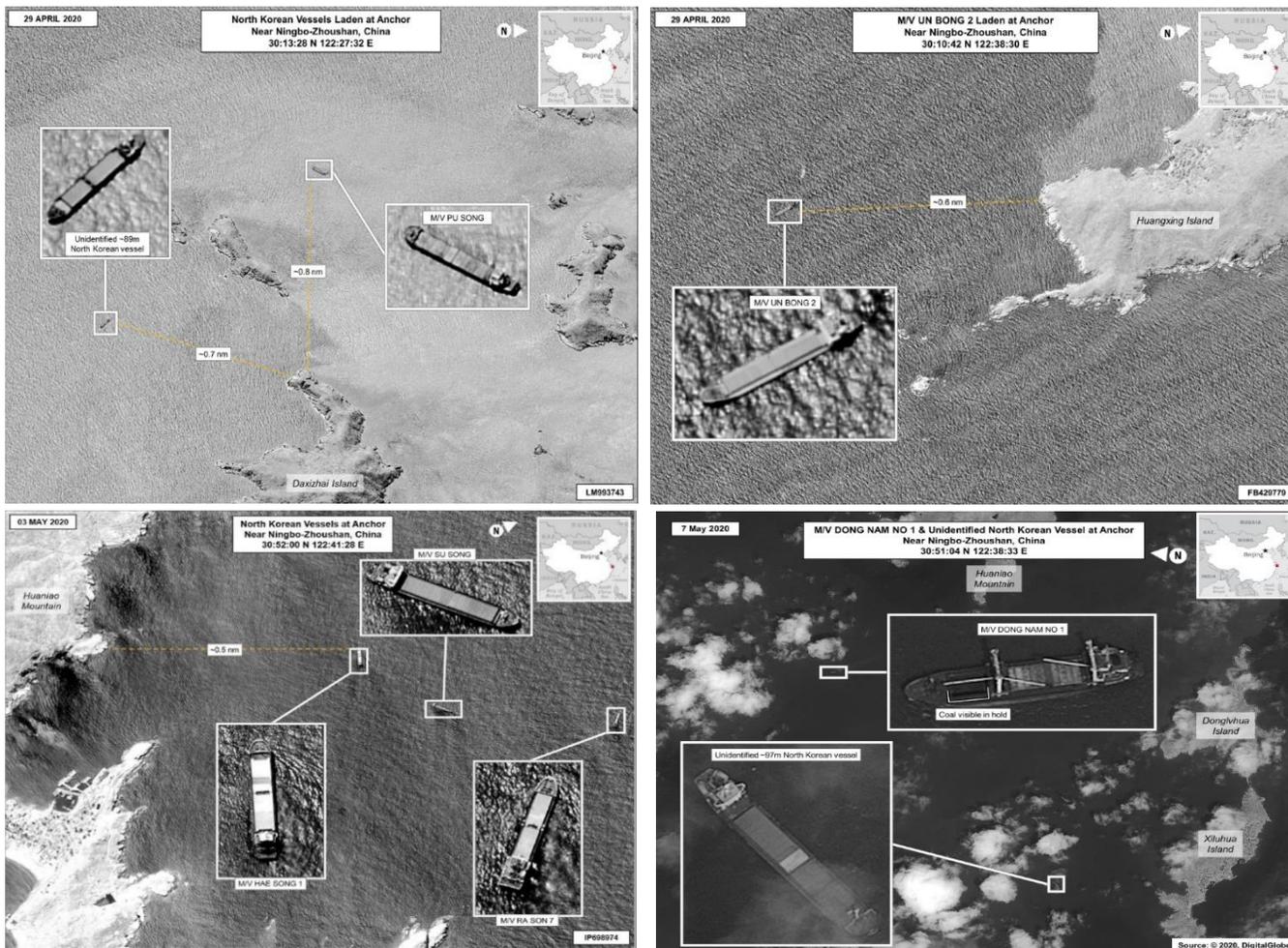
Source: The Panel

## Annex 24: Satellite imagery of DPRK vessels loading coal at Taean, DPRK and near Ningbo-Zhoushan, China



Source: Member State; Map: The Panel

### Annex 25: DPRK vessels at anchor near islands off Ningbo-Zhoushan, China



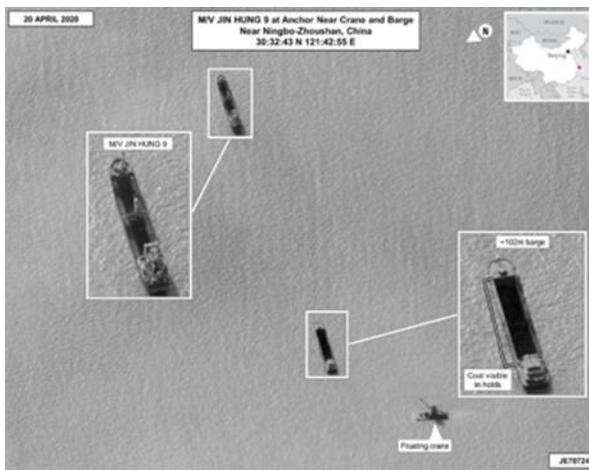
Source: Member State

## Annex 26: DPRK vessels conducting illicit activity at Ningbo-Zhoushan, China

### *Jin Hung 9*

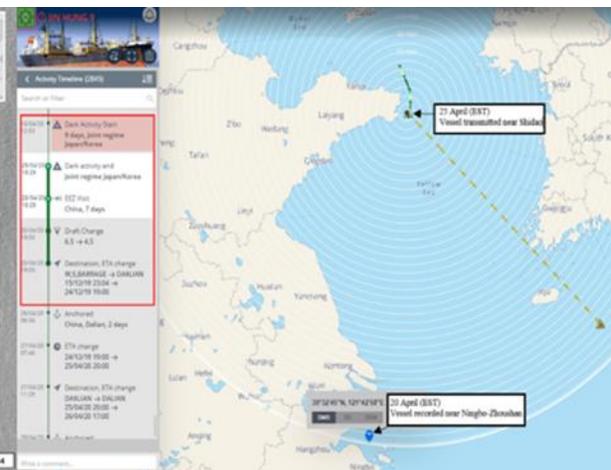
1. The DPRK vessel *Jin Hung 9* (IMO: 9035967) was recorded on satellite imagery at anchor near Ningbo-Zhoushan on or around 20 April 2020 in the vicinity of a barge with what appears to be coal visible in its cargo bay, as well as a floating crane typically used to assist in the transfer of cargo (figure 26-1). The Member State assessed the vessel had offloaded DPRK-origin coal. The Panel's investigations show the *Jin Hung 9* transmitted an AIS signal near Shidao, China on or around 25 April 2020<sup>12</sup> a few days later. From 16 to 25 April 2020, the vessel was recorded on the same maritime platform with a 9-day gap in AIS transmission, during which time the activity could have taken place, as the period between the *Jin Hung 9*'s prior and subsequent recorded AIS transmissions (figure 26-2)<sup>13</sup> allowed ample time for the voyage. During this period the vessel reported a draft decrease, indicating a discharge of cargo. China replied that on vessels in the Panel's letters which are suspected to make STS [*sic*: ship-to-ship] transfers, so far the investigations have not completed yet. China has always implemented the Security Council resolutions in a faithful and strict manner, and if any Chinese vessel, individual or entity is proved to be involved in illegal STS transfers, the Chinese law enforcement authority will prosecute them in accordance with laws and regulations

Figure 26-1: *Jin Hung 9* at anchor



Source: Member State

Figure 26-2: AIS transmission gap



Source: Windward, annotated by the Panel

### *New Dawn*

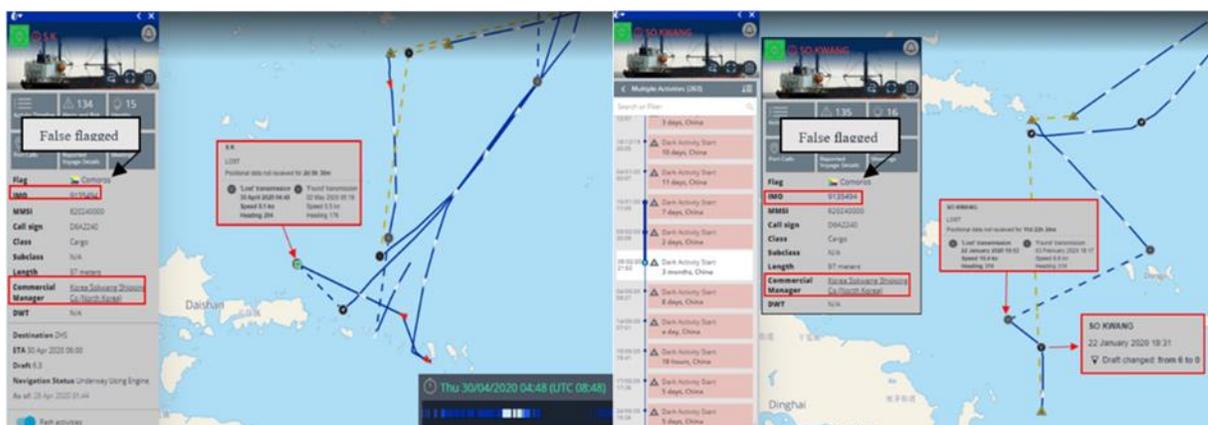
2. The Panel is investigating a case of possible sanctions evasion involving identity tampering by a DPRK-flagged vessel, *New Dawn* (IMO: 9135494). The Panel continues to observe this form of sanctions evasion activity. On and around 22 January to 3 February 2020 and on and around 30 April to 2 May 2020, the vessel was observed on a specialized maritime database as transmitting falsified identifiers while in the Ningbo-Zhoushan area where other DPRK vessels have been observed, potentially to mask its sanctionable activities (figure 26-3). The vessel transmitted as the “S K”, allegedly Comoros-flagged, and with a call sign and MMSI inconsistent with those of the *New Dawn*, but with a Commercial Manager listed as “Korea Sokwang Shipping Co”, consistent with the DPRK's ownership and management of the *New Dawn*. On other occasions, the vessel was reported to transmit as the “*So Kwang*”. The vessel also

<sup>12</sup> Windward.

<sup>13</sup> Traveling at a service speed of 12 knots, it would take approximately two days travel time between the two transmission points.

recorded drafted changes outside of port on different occasions in the Ningbo-Zhoushan area, suggesting that cargo had been off-loaded in ship-to-ship transfers. The vessel was recorded in May 2020 sailing north through the Yellow Sea in the direction of the DPRK before dropping its AIS signal in an area where vessels transporting illicit cargo have been observed to lose their AIS transmission. China replied that on vessels in the Panel’s letters which are suspected to make STS [sic: ship-to-ship] transfers, so far the investigations have not completed yet. China has always implemented the Security Council resolutions in a faithful and strict manner, and if any Chinese vessel, individual or entity is proved to be involved in illegal STS transfers, the Chinese law enforcement authority will prosecute them in accordance with laws and regulations.

Figure 26-3: *New Dawn* as ‘*S K*’ and ‘*So Kwang*’



Source: Windward, annotated by the Panel

Source: The Panel

**Annex 27: DPRK vessels conducting illicit activities***Su Ri Bong aka Pu Zhou*

1. The Panel continued to investigate the individuals and entities that facilitated the activities of the *Pu Zhou* (former *Fu Xing 12*) (IMO: 8605727). The vessel, listed on maritime platforms sailing as the DPRK-flagged *Su Ri Bong* in September 2019,<sup>14</sup> travelled to the DPRK two months after its sale in June 2019 to export DPRK coal.<sup>15</sup> The *Su Ri Bong* was recorded at Nampo on or around 7 February 2020, recorded a change in identifiers back to the *Pu Zhou* before sailing back to the Ningbo-Zhoushan area, arriving on or around 14 June 2020 where it registered a draft change. The vessel sailed as the *Hu Hai* with a falsified Chinese identifier (MMSI) in early July before it reverted to sailing as the ‘*SRB*’ while sailing towards Nampo.<sup>16</sup>
2. The Panel corresponded with a company based in Kaohsiung City (management company-PZ) that had provided services to the *Pu Zhou*. According to management company-PZ, it did not have knowledge of the vessel owner nor of its voyage or cargo. The company stated it was a ship management consultant that provided safety management related services to vessels. Its services were reportedly procured in July 2019 by an individual in China, the company’s contact for China-related businesses. Management company-PZ delivered ship safety manuals to the Master of the vessel while it was at a shipyard on an island in Zhoushan, China. The company reportedly told its Chinese business contact to cancel its contracted services as ISM manager and Document of Compliance holder following notification from then flag state, Sierra Leone, of the vessel’s voyage to the DPRK and cancellation of flag.<sup>17</sup> The Panel confirmed the *Pu Zhou* was no longer managed by the company following de-registration by Sierra Leone in September 2019.
3. Ms Liu, the recorded buyer of the *Pu Zhou*, is recorded on a Chinese business registry aggregator<sup>18</sup> to have run several businesses including in the Zhoushan area. The Panel was separately unsuccessful in contacting Ms Liu on publicly listed contact details and sought China’s assistance on information into the individual. China prior informed the Panel it was conducting investigations into the matter. China replied that so far the investigations have not completed yet.
4. A Philippines national was registered as the Director/Shareholder/Beneficial Owner of Honour Sail Limited (hereafter Honour Sail), a company incorporated in the British Virgin Islands. Honour Sail was recorded as the vessel’s registered owner, operator and manager following its sale. The Philippines responded that it would provide information as soon as available.

Source: The Panel

<sup>14</sup> IHS Markit, accessed 22 July 2020.

<sup>15</sup> S/2020/151, paras. 73-77.

<sup>16</sup> Data from Windward. Accessed on 5 July 2020

<sup>17</sup> The vessel was flagged under Sierra Leone from July to September 2019. Data from IHS Markit.

<sup>18</sup> Tianyancha.com

Annex 28: Internet posting to invite fishing in DPRK waters

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**조선민주주의인민공화국**  
**상업회의소**  
*DPR Korea Chamber of Commerce*

号码: KCC-759/2019  
日期: 2019.3.28

确 认 书

兹确认, 法定地址为朝鲜民主主义人民共和国平壤市万景台区  
祝典1街的圣山经济贸易联合会社已经得到国家许可, 可在朝鲜东海  
的指定海域同中方开展合营捕捞。

特此证明。

朝鲜民主主义人民共和国商业会议所  
朝鲜民主主义人民共和国平壤市公证所

조선민주주의인민공화국 평양시 중구역 중성동  
Junggyong-dong, Central District, Pyongyang, DPR Korea  
P.O.Box: 89

Tel: 850.2.481.9626  
Fax: 850.2.481.9627  
E-mail: kcc@ccidprod.net.kp

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默认头像 

7. 支付方式:  
船舶联检和识别器安装结束的同时乙方将捕捞费给甲方指定的银行账号  
转账或支付现金。

8. 其他

- 1) 甲方负责捕捞船和运输船负责合营捕捞所需的所有手续、海上指挥  
和安全事宜,乙方负责提供渔船、运输船、网具、燃油、海上作业  
费用。
- 2) 若乙方的要求甲方派遣船员时,船员工资每人每月人民币 2500 元  
以上,每季度发放一次。乙方向甲方船员提供与乙方船员同等的住  
宿条件、劳保物资、通讯利用条件。
- 3) 乙方所有作业船、运输船应彻底遵守朝鲜民主主义人民共和国的法律,  
如有脱离作业区域、使用禁止网具现象时应受处分包括罚款。  
对于乙方船只非法进入其他国家海域而产生的后果甲方不负任何

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朝鲜圣山经济贸易联合会社(以下称甲方)与中国 xxx 贸易有限公  
(以下称乙方),本着互利互惠的原则就在朝鲜东海经济水域合营捕捞  
经过磋商,签订如下合同:

1. 船舶数量:作业船 100 艘、运输船 2 艘、给油船 1 艘,指挥船 1 艘  
※ 合营捕捞期间,指挥船由乙方提供。

2. 捕捞水域

北纬 39 度 05 分 00 秒,东经 129 度 52 分 00 秒  
北纬 39 度 29 分 00 秒,东经 133 度 22 分 00 秒  
北纬 41 度 29 分 00 秒,东经 133 度 24 分 00 秒  
北纬 39 度 05 分 00 秒,东经 133 度 06 分 00 秒  
※ 若捕捞水域改变,另签合同附件。

3. 捕捞期间:  
2020 年 4 月 - 2020 年 12 月

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Source: <https://tieba.baidu.com/p/6576026746> (last visited on 8 July 2020)

## Annex 29: Recorded trade between the DPRK and some Member States

### 1. Methodology

To monitor prohibited exports and imports by the Democratic People's Republic of Korea under paragraph 30 of resolution 2270 (2016), paragraphs 26 and 28 of resolution 2321 (2016), paragraphs 8, 9 and 10 of resolution 2371 (2017), paragraphs 13, 14 and 15 of resolution 2375 (2017) and paragraphs 4, 5, 6 and 7 of resolution 2397 (2017), the Panel analysed Member States' customs data as reported to the International Trade Centre (ITC). The Panel used the list of HS Codes for all sectoral bans in resolutions 2270 (2016), 2321 (2016), 2371 (2017), 2375 (2017) and 2397 (2017) in annex 4 of S/2018/171 (amended by S/2018/171/Corr.1).<sup>19</sup>

The Panel's analysis covers the period between October 2019 and March 2020. Where available statistics indicate trade in prohibited items, the Panel wrote to Member States for additional information and verification. While the Panel observed that more countries conducted trade with the Democratic People's Republic of Korea during this period, it was unable to obtain full trade statistics covering the entire period for each of them with sufficient time for the right of reply. The Panel intends to continue its inquiries when the data becomes available.

The Panel notes that the DPRK does not release statistics on its external trade and only mirror statistics are available on DPRK exports and imports. This analysis does not include any exports and imports of banned items by the DPRK that were undetected or unreported by Member States to the ITC, or erroneously reported as trade with third countries other than the DPRK.

The figures listed in part 3 of this annex are the total of all exports and imports of ostensibly prohibited items by the DPRK between October 2019 and March 2020, as obtained by the Panel prior to its requests for information to the relevant Member States between May and June 2020.

### 2. Update on the Panel's past inquiries in 2020 final report (S/2020/151, annex 19)

Several Member States responded to the Panel's inquiry after the completion of its 2020 final report (S/2020/151) for recorded trade with the DPRK between April 2018 and September 2019. Below are the results of the Panel's analysis on additional replies from Member States. The Panel appreciates the Member States' cooperation and their efforts to implement relevant resolutions.

#### Algeria

Algeria replied to the Panel that the iron and steel imported from the DPRK do not fall under the HS code categories covered by the sectoral sanctions provisions contained in the relevant Security Council resolutions, and it was investigating its import of machinery and textiles from the DPRK.

#### Brazil

Brazil submitted its second reply to the Panel in which it concluded that the data recording trade with the DPRK between April 2018 and September 2019 were inaccurate.

#### Colombia

Colombia replied the Panel with a comprehensive analysis based on customs data of the recorded trade with the DPRK between April 2018 and September 2019. The Panel perused the reply from Colombia but could not find evidence that the cases of imports in question have not originated from the DPRK, provided the initial data entry was accurate.

### **Costa Rica**

Costa Rica replied to the Panel based on the initial report from its General Directorate of Customs of the Ministry of Finance. Costa Rica stated that there had been 91 customs declarations of import from 2017 to 2020 in which products were declared originating in the DPRK, and further reported that “it is assumed that there is a typing error of the information in said declarations, confusing the declarant of the country of origin and provenance” between the DPRK and the ROK.

### **El Salvador**

El Salvador submitted a reply to the Panel explaining its efforts to implement relevant resolutions.

### **Guatemala**

Guatemala submitted its second reply to the Panel and stated that its Tax Administration Superintendency had “determined that no trade had taken place with the [DPRK]” in the periods specified by the Panel.

### **Honduras**

Honduras replied to the Panel that its Ministry of Foreign Affairs and International Cooperation had compiled the information as requested.

### **India**

India replied to the Panel that the relevant Indian agencies have confirmed that no imports or exports of the item/goods referred to in the Panel’s letter have taken place from or to the DPRK, and “in a few instances where the goods were declared as originated from DPRK or destined for DPRK, the consignments were interdicted to verify the country of origin/destination. In all such cases, the goods were found to have actually originated from or be destined for the [Republic of Korea.]”

### **Indonesia**

Indonesia replied to the Panel that it was currently conducting an investigation that involves an inter-agency process and the result of the investigation will be conveyed to the Panel in due course.

### **Kazakhstan**

Kazakhstan submitted relevant original documents to the Panel and clarified that the imports recorded as from the DPRK between April 2018 and September 2019 were the result of mistaken reports. The Panel assesses that there had been no import from the DPRK by Kazakhstan during the said period.

### **Luxembourg**

Luxembourg submitted a reply to the Panel explaining that the recorded trade with the DPRK was a coding error originated from confusing the DPRK with the ROK.

### **South Africa**

South Africa submitted its second reply to the Panel stating that it was “currently investigating the alleged transgression of the sanctions regime, in order to determine if the items were in fact traded with the DPRK [...] our investigations are also aimed at establishing whether item codes and the destination/origin countries are entered correctly.”

### **Uruguay**

Uruguay submitted its second reply to the Panel including detailed customs documents specifying the cases of imports from the DPRK. The Panel perused the reply from Uruguay but could not find evidence that the cases of imports in question have not originated from the DPRK, provided the initial data entry was accurate.

## **3. Results of the Panel’s inquiries (for the period between October 2019 and March 2020)**

Below is the result of the Panel’s analyses of Member States’ recorded trade with the DPRK between October 2019 and March 2020 found in the ITC Trade Map. The Panel reiterates that this is not a complete list of countries that traded with the DPRK during the said period, and the Panel is preparing further inquiries concerning other Member States as full trade data for this period becomes available.

### **Bosnia and Herzegovina**

Bosnia and Herzegovina replied to the Panel with original documentation that the total value of its import of machinery (HS 84) from the DPRK during the last quarter of 2019 was approximately 2,075 USD, instead of 27,000 USD.

### **Brazil**

Brazil replied to the Panel with its analysis that the data recording trade with the DPRK between October 2019 and March 2020 were inaccurate, and the errors were caused by customs brokering agents while inserting data in the import or export declarations submitted through SISCOMEX (Integrated Foreign Trade System). Brazil explained that the Federal Revenue of Brazil (RFB) ascertained such errors through a comparison between the information in import and export declarations and the bills of lading or air waybills of the transacted cargo.

### **Canada**

Canada confirmed in its reply to the Panel that the trade data reported to the ITC was inaccurate and that the items were not imported from or exported to the DPRK, and the inaccuracy was the result of miscoding of the country of origin by the relevant Canadian statistical agencies. Canada further explained that the information has been corrected and the changes would be reflected in subsequent submissions of trade data reported to the ITC.

### **China** (For China’s reply on these inquiries, see Annex 58)

The Panel asked China for data on import of iron, iron and steel products (HS 72-73) and textiles (HS 50-63) worth of \$ 9,557,000 from the DPRK, and export of metals (HS 72-83) and industrial machinery (HS 84-85) worth of \$ 2,724,000 to the DPRK for the period between October 2019 and March 2020.

## [ Import ]

- 1) Import of \$9,534,000 worth of iron, iron ore (HS 72-73): China replied that it “did not import these prohibited items from the DPRK in the time frame of October to December of 2019 and March of 2020. Import of iron or steel articles (HS code 73) is not prohibited. Ferro-silicon is not a prohibited item either, and importing and re-exporting ferro-silicon does not violate Security Council resolutions.”<sup>20</sup>

**Iron and iron ore (HS codes 72 and 73)<sup>21</sup>**

Date	REPORTING COUNTRY	PARTNER COUNTRY	HS CODE	APPROXIMATE VALUE (USD)
October 2019	China	DPRK	72	2,789,000
November 2019	China	DPRK	72	2,842,000
			73	20,000
December 2019	China	DPRK	72	3,762,000
			73	35,000
March 2020	China	DPRK	72	86,000

Source: ITC Trade Map

- 2) Import of \$23,000 worth of textiles (HS 50-63): China replied that it “imported a batch of commodities under the HS code 5302 in October 2019. They are raw materials, not textiles prohibited by the Security Council resolutions.”

**Textiles (HS codes 50 to 63)<sup>22</sup>**

Date	REPORTING COUNTRY	PARTNER COUNTRY	HS CODE	APPROXIMATE VALUE (USD)
October 2019	China	DPRK	53	23,000

Source: ITC Trade Map

## [ Export ]

- 3) Export of \$196,000 worth of metals (HS 72-83) and of \$2,528,000 worth of industrial machinery (HS 84-85): China replied that the “steel, copper and other metals exported to the DPRK between October and December 2019, and the industrial machinery exported to the DPRK between January and March 2020, were all humanitarian goods exempted by the 1718 Committee and diplomatic goods ordered by foreign missions in the DPRK. Among them, 5 batches of goods were from the UNICEF, 3 batches of goods were from the ICRC, 8 batches of goods were from different NGOs, and 12 batches of goods were ordered by diplomatic missions in the DPRK.”

<sup>20</sup> The Panel notes that some Member States’ views on HS Code allocation are not same with the Panel’s list of HS Codes for all sectoral bans in resolutions, which the World Customs Organization (WCO) has recommended to the Panel (see S/2017/150, para. 257, S/2018/171 annex 4 and S/2018/171/Corr.1). The Panel also inquired China on possible re-export of DPRK-origin ferro-silicon to third countries, based on a media report on the 2019 General Administration of Customs of China (GACC) data which indicated that 1,370 metric tons of ferro-silicon worth of 31 million USD had been re-exported in the form of customs warehousing trade and entrepot trade.

<sup>21</sup> **Applicable resolution:** Resolution 2371 (2017), para. 8.

<sup>22</sup> **Applicable resolution:** Resolution 2375 (2017), para. 16.

**Metals (HS codes 72 to 83)<sup>23</sup>**

Date	REPORTING COUNTRY	PARTNER COUNTRY	HS CODE	APPROXIMATE VALUE (USD)
October 2019	China	DPRK	73	33,000
			74	27,000
			83	88,000
November 2019	China	DPRK	73	10,000
			82	14,000
December 2019	China	DPRK	76	24,000

Source: ITC Trade Map

**Industrial Machinery (HS codes 84 and 85)<sup>24</sup>**

Date	REPORTING COUNTRY	PARTNER COUNTRY	HS CODE	APPROXIMATE VALUE (USD)
January 2020	China	DPRK	84	32,000
			85	2,448,000
March 2020	China	DPRK	84	34,000
			85	14,000

Source: ITC Trade Map

**Germany**

The Panel has yet to receive a reply.

[ Export ]

**Industrial Machinery (HS codes 84 and 85)<sup>25</sup>**

Date	REPORTING COUNTRY	PARTNER COUNTRY	HS CODE	APPROXIMATE VALUE (USD)
January 2020	Germany	DPRK	84	10,000

Source: ITC Trade Map

**Madagascar**

The Panel has yet to receive a reply.

[ Import ]

**Machinery (HS code 84)<sup>26</sup>**

Date	REPORTING COUNTRY	PARTNER COUNTRY	HS CODE	APPROXIMATE VALUE (USD)
February 2020	Madagascar	DPRK	84	54,000

Source: ITC Trade Map

<sup>23</sup> **Applicable resolution:** Resolution 2397 (2017), para. 7.

<sup>24</sup> *Ibid.*

<sup>25</sup> *Ibid.*

<sup>26</sup> **Applicable resolution:** Resolution 2397 (2017), paragraph 6.

**Textiles (HS codes 50 to 63)<sup>27</sup>**

Date	REPORTING COUNTRY	PARTNER COUNTRY	HS CODE	APPROXIMATE VALUE (USD)
December 2019	Madagascar	DPRK	52	358,000

Source: ITC Trade Map

**Mozambique**

Mozambique replied to the Panel and requested an extension for its reply.

[ Import ]

**Electrical equipment (HS code 85)<sup>28</sup>**

Date	REPORTING COUNTRY	PARTNER COUNTRY	HS CODE	APPROXIMATE VALUE (USD)
February 2020	Mozambique	DPRK	85	4,000
March 2020	Mozambique	DPRK	85	19,000

Source: ITC Trade Map

**Machinery (HS code 84)<sup>29</sup>**

Date	REPORTING COUNTRY	PARTNER COUNTRY	HS CODE	APPROXIMATE VALUE (USD)
October 2019	Mozambique	DPRK	84	7,000
November 2019	Mozambique	DPRK	84	18,000
December 2019	Mozambique	DPRK	84	4,000
January 2020	Mozambique	DPRK	84	45,000
February 2020	Mozambique	DPRK	84	12,000
March 2020	Mozambique	DPRK	84	55,000

Source: ITC Trade Map

**Seafood (HS codes 03, 1603-1605)<sup>30</sup>**

Date	REPORTING COUNTRY	PARTNER COUNTRY	HS CODE	APPROXIMATE VALUE (USD)
December 2019	Mozambique	DPRK	03	87,000
January 2020	Mozambique	DPRK	03	256,000

Source: ITC Trade Map

<sup>27</sup> **Applicable resolution:** Resolution 2375 (2017), paragraph 16

<sup>28</sup> **Applicable resolution:** Resolution 2397 (2017), paragraph 6.

<sup>29</sup> *Ibid.*

<sup>30</sup> **Applicable resolution:** Resolution 2371 (2017), paragraph 9.

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### **Annex 30: Relevant resolution provisions applicable to gold and cash smuggling between Tehran airport and Dubai airport**

Smuggling gold and cash could be in violation of multiple sanctions measures stipulated in relevant resolutions including:

Paragraph 11 of resolution [2094 \(2013\)](#) prohibited transfer of financial assets, including bulk cash, to and from the DPRK, which could contribute to the DPRK's nuclear and ballistic missile programmes, or other activities prohibited by relevant resolutions. Paragraph 14 of resolution [2094 \(2013\)](#) clarifies that all States shall apply the measures set forth in paragraph 11 of this resolution to transfers of cash, including through cash couriers, transiting to and from the DPRK.

Paragraph 37 of resolution [2270 \(2016\)](#) clarifies that all States shall apply the measures set forth in paragraph 11 of resolution [2094 \(2013\)](#) to transfers of gold, including through gold couriers, transiting to and from the DPRK.

Furthermore, although the Panel is still investigating the route of the transfer of gold, it notes that paragraph 30 of resolution [2270 \(2016\)](#) prohibits the supply, selling or transfer of gold, regardless of whether it is directly or indirectly, from the DPRK territory or by DPRK nationals.

## Annex 31: Response from 3M

[REDACTED] 3M Legal Affairs 3M Center, Building 220-9E-02  
St. Paul, MN 55144-1000 USA  
Phone: (651) 736-7776  
Email: uncelakantan@mmm.com

 June 5, 2020

Via Email: [REDACTED]@un.org

[REDACTED]  
Coordinator of the Panel of Experts  
established pursuant to Security Council Resolution 1874 (2009)  
United Nations  
United Nations Headquarters  
405 East 42nd Street  
New York, NY 10017

**Re: 3M Company's Response to the April 30, 2020 Request for Information  
from the Panel of Experts Established Pursuant to Resolution 1874  
(2009)  
Reference: S/AC.49/2020/PE/OC.43**

[REDACTED]

On behalf of 3M Company ("3M"), I am writing to respond to your letter of April 30, 2020 regarding efforts by the Panel of Experts established pursuant to United Nations Security Council Resolution 1874 (2009) ("the Panel") to gather, examine and analyze information regarding the implementation of measures imposed by the Security Council on the Democratic Republic of North Korea ("DPRK"). In particular, 3M understands that the Panel is investigating a recent report on Korean Central Television ("KCTV") showing DPRK quarantine workers in what appear to be 3M Protective Coveralls (hereinafter, "KCTV Report").

Consistent with United States and United Nations sanctions against the DPRK, it is 3M policy not to sell, either directly or indirectly, any products into the DPRK unless specifically authorized by the U.S. government. As part of its comprehensive trade compliance program, 3M also implements measures, including trade compliance provisions in contracts and restricted party screening, to ensure that distributors and other customers do not sell 3M products into sanctioned countries or to sanctioned parties.

While the KCTV Report shows DPRK workers in what appear to be 3M Protective Coveralls, 3M is unable to verify the authenticity of the pictured coveralls absent access to the coveralls and their original packaging. Nevertheless, after receiving the Panel's request for information, 3M has reviewed its global sales of all 3M Protective Coveralls since 2017, and has not identified any sales of coveralls, either directly or through distributors, into the DPRK.

In addition, through its social investment arm, 3M gives, 3M donates products to U.S.-based humanitarian aid organizations to support emergency relief efforts and urgent medical care needs around the world. 3M has confirmed that neither of its partner

June 5, 2020  
Page 2

humanitarian aid organizations shipped 3M Protective Coveralls to the DPRK. Thus, to the extent that the coveralls pictured in the KCTV Report are authentic 3M products, 3M has no knowledge of how these coveralls may ultimately have been routed to the DPRK.

Provided below are responses to the Panel's specific requests for information.

**1. *The authenticity of the abovementioned media report.***

3M is unable to comment on the authenticity of the information contained in the KCTV Report. The report suggests that the coveralls visible in the photographs are 3M™ Protective Coverall 4570 ("4570 Coverall") and 3M™ Protective Coverall 4510 ("4510 Coverall"). However, absent access to the coveralls and original packaging, 3M is unable to verify whether the coveralls shown are genuine 3M products and if so, the specific coverall models.

**2. *If the report is authentic, information related to the type and model number, country (or place) of production, countries of distribution (or place of wholesale), and period of production of the 3M personal protective equipment (PPE) shown in the report.***

As explained in response to Question 1 above, 3M is unable to verify the authenticity of the coveralls pictured in the KCTV Report. Nevertheless, for purposes of cooperating fully with the Panel, 3M herein provides information related to its production and sales of 4570 Coveralls and 4510 Coveralls.

3M began manufacturing 4510 Coveralls in 2010 and 4570 Coveralls in 2013. These coveralls are manufactured to 3M's specifications in China. The coveralls are then shipped to 3M distribution centers in Germany, the United Kingdom, Singapore, China and the United States, and ultimately sold to hundreds of distributors around the world. These distributors, in turn, sell the coveralls to end users. 3M does not sell coveralls, either directly or indirectly, into the DPRK.

**3. *Details of the transfer of the abovementioned 3M PPE (e.g. date of transfer, importer and/or consignee, end-user and end-use), including a copy of the contract and invoice. If you do not have this information, please provide the Panel with any other information which might suggest the possible route of transfer of the PPE to the DPRK.***

As explained previously, 3M does not sell any products, either directly or indirectly, into the DPRK. To the extent that the coveralls pictured in the KCTV Report are authentic, 3M has no knowledge of the possible route of transfer to the DPRK.

June 5, 2020  
Page 3

4. *Information about 3M's internal screening of end-users. If 3M has contractual arrangements with end users to track the products (such as requirements for the purchaser to notify 3M in the case of resale or relocation, or any device to detect relocation), please provide the Panel with this information.*

3M employs a comprehensive trade compliance program, and regularly conducts due diligence on its business partners. As part of this due diligence, 3M conducts restricted party screening of parties to its transactions, including but not limited to, suppliers, distributors, logistics providers, and, where applicable, end users. To do so, 3M employs comprehensive screening software to screen parties against all applicable restricted party lists, including the United Nations Consolidated List and the U.S. Department of the Treasury's List of Specially Designated Nationals and Blocked Persons.

As explained in response to Question 2 above, 3M generally does not sell coveralls directly to end users but instead sells through distributors around the world. These distributors are subject to the aforementioned due diligence and screening procedures relevant to the country or countries in which they are authorized by 3M to distribute 3M products. In addition, 3M works to include in its distributor agreements and/or terms and conditions of sale clauses requiring compliance with applicable legal requirements, such as economic sanctions and export control laws and regulations, including the trade embargo against the DPRK. Finally, 3M collects point-of-sale data from many of its coverall distributors, and a review of available data does not indicate any sales of 3M Protective Coveralls into the DPRK.

Please let us know if we can be of any further assistance in your investigation into this matter.

Sincerely,



Source: The Panel

## Annex 32: Response from DuPont



DuPont de Nemours, Inc.  
974 Centre Road, CRP 730  
Wilmington, DE 19805

May 27, 2020

[REDACTED]  
United Nations Security Council  
Coordinator of the Panel of Experts Established  
Pursuant to Security Council Resolution 1874 (2009)  
United Nations  
New York, NY 10017

RE: Inquiry of United Nations Security Council: Your Reference: S/AC.49/2020/PE/OC.44

[REDACTED]

With reference to your communication of April 30, 2020 to Mr. Edward Breen CEO of Dupont de Nemours, Inc., I am responding on the Company's behalf as Senior Vice President and General Counsel. In your letter you provided clipped images from a media report allegedly identifying protective gear worn by workers whom were reported to be in the Democratic People's Republic of Korea ("DPKR"). In addition, the media report hypothesized that the branding on some of the garments was similar to branding found on protective garments fabricated from DuPont Tyvek non-woven fabric. To that end you asked DuPont to respond to the following four questions. We replicate and respond to your questions below.

*1. The authenticity of the abovementioned media report (see Annex 1):*

We cannot speak to the authenticity of the media report, the information reported therein nor to the provenance of any material shown in the associated photographic materials.

*2. If the report is authentic, information related to the type and model number, country (or place) of production, countries of distribution (or place of wholesale), and period of production of the DuPont personal protective equipment (PPE) shown in the report:*

See response above.

*3. Details of the transfer of the abovementioned DuPont PPE (e.g. date of transfer, importer and/or consignee, end-user and end-use), including a copy of the contract and invoice. If you do not have this information, please provide the Panel with any other information which might suggest the possible route of transfer of the PPE to the DPRK;*

Under the laws of the United States, transfer or sale of U.S.- origin materials by U.S. persons to sanctioned parties or countries, such as the DPRK, is prohibited and companies, like DuPont, are required to have policies and procedures in place to detect and avoid such occurrences. To that end, DuPont has a Policy on Trade with Potentially Sensitive Countries that identifies DPRK as a "Tier I" country with which all trading is prohibited. Compliance with the laws and restrictions represented in the Policy is also a requirement made of our distribution partners. Furthermore, any direct financial transactions, as identified in our procurement systems, with such Sensitive Countries, is immediately flagged and any attempted transaction is blocked before consummation. We have no evidence of direct or indirect sales of DuPont materials into DPRK. As noted above, we cannot ascertain the veracity of the media report, if the garments shown were in-fact branded as a DuPont product or if counterfeit branding was applied to product made by others. We simply have no information relative to the events described in the media report.

*4. Information about DuPont's internal screening of the end-users. If DuPont has contractual arrangements with end users to track the products (such as requirements for the purchaser to notify DuPont in the case of resale or relocation, or any device to detect relocation), please provide the Panel with this information.*

Besides complying with our trade policy and ensuring that contractual requirements placed on our distribution chain likewise follow all relevant laws and restrictions, DuPont does not do internal screening of the ultimate end users of these products outside of our distribution chain nor do the products contain devices to detect relocation.

We appreciate the work undertaken by the United Nations Security Council Panel of Experts to ensure that the Security Council resolutions and the implementation of appropriate trading sanctions be enforced. As noted above, DuPont's policies and practices are entirely aligned with the Council's goals and efforts in this area. Should we identify any relevant information relative to your inquiry we will immediately revert such information to you.

A large black rectangular redaction box covering the signature of the Senior Vice President and General Counsel.

Senior Vice President and General Counsel

Source: The Panel

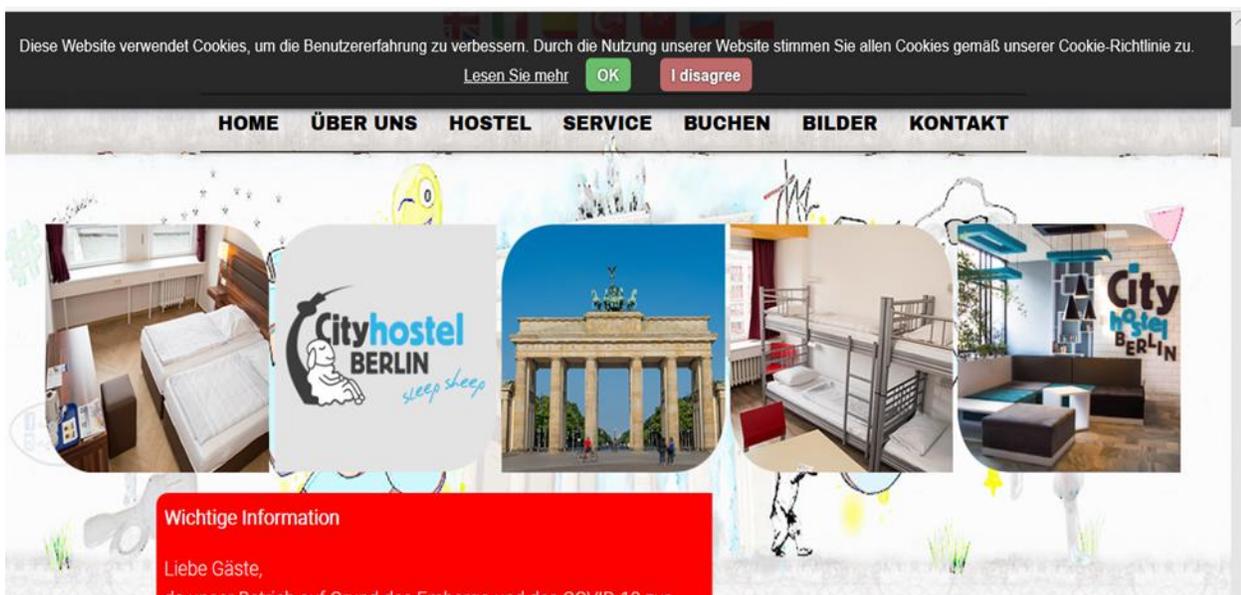
## Annex 33: Publicly available information on City Hostel Berlin

### 1. Image



Source: The Panel  
 (URL: <https://asia.nikkei.com/Editor-s-Picks/Tea-Leaves>)

### 2. Screenshot of the website of City Hostel Berlin



https://www.cityhostel-berlin.com/gb/reservation-hostel-online.aspx

ation & Extras      Personal Information & Payment

### Price & Availability Calendar - Cityhostel Berlin

Price and availability will be displayed per room type. Please choose your desired category:

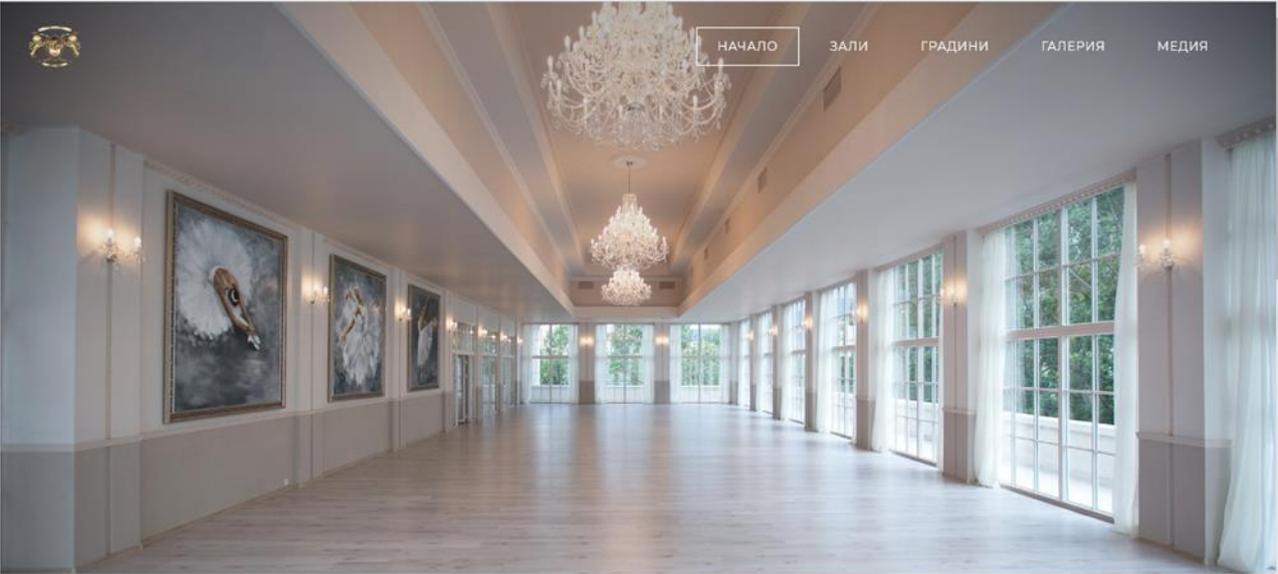
Single room with shower and toilet, NON-REFUNDABLE with breakfast

April 2020

Mon	Tue	Wed	Thu	Fri	Sat	Sun
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	1	2	3
May 2020						
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24

Source: The Panel  
(URL: <https://www.cityhostel-berlin.com/>)

## Annex 34: Advertisement by Terra Residence, located at the address of the DPRK Embassy in Bulgaria



The screenshot shows a web browser window with the URL <https://www.terraresidence.com/>. The website features a navigation menu with the following items: НАЧАЛО, ЗАЛИ, ГРАДИНИ, ГАЛЕРИЯ, and МЕДИЯ. The main image is a wide-angle shot of a grand, empty hall with a high ceiling, a large chandelier, and several framed artworks on the walls. The floor is made of light-colored wood or stone.

ЗА НАС:

"Резиденция Тера" е разположена в южната част на София, недалече от Бизнес парк София, в тих район, с изглед към Витоша. Лесно за комуникация местоположение, но същевременно оазис на красота и спокойствие. Заобиколена е от дървесна растителност и зеленина, които придават допълнително усещане за уединение с природата.

Ние сме изцяло на Ваше разположение за да обсъдим всички Ваши идеи и да направим Вашето събитие по начин, който задоволява и най - изтънчения вкус.

С усет към детайлите и прецизни в подготовката сме готови да посрещнем всяко Ваше желание.

Source: <https://www.terraresidence.com/105710421040105810411048.html>)

Advertisement for catering hall, located at the address of the DPRK Embassy in Bulgaria



Младост 1, бул. Андрей Сахаров 56  
Sofia  
1784



**Catering Hall**

Catering hall for all occasions.

Paris Caterers

24 of 24 - Clipboar

Source: <https://www.evepla.com/BG/Sofia/100084117957/Lora-Catering>

**Annex 35: Image of Audi Q7 car in Masikryong resort, DPRK, December 2019**



*Source:* The Panel

### Annex 36: Letter from Audi



AUDI AG - 85045 Ingolstadt - Germany

*Coordinator of the Panel of Experts established pursuant to Security Council Resolution 1874 (2009)*

S/AC.49/2020/PE/OC.30  
Your letter of 17 April 2020  
I/FS-41

Sign  
Message  
Our department/ref.  
Ext.  
Fax  
e-Mail

06.05.2020 Date

**With reference to your request S/AC.49/2020/PE/OC.30 of 17 April 2020 regarding the presence of an Audi Q7 model in the DPRK**

**AUDI AG**

85045 Ingolstadt

Delivery entrance:  
Ettinger Straße  
Tor 10

Phone +49 841 89-0  
www.audi.com

Honorary Chairman of the  
Supervisory Board:  
Carl H. Hahn

Chairman of the  
Supervisory Board:  
Herbert Diess

Board of Management:  
Markus Duesmann,  
Chairman  
Arno Antlitz  
Dirk Große-Loheide  
Peter Kossler  
Sabine Maaßen  
Hans-Joachim Rothenpieler  
Hildegard Wortmann

AUDI Aktiengesellschaft  
Registered office:  
Ingolstadt  
Entered in the  
Commercial Register of the  
Local Court of Ingolstadt  
No. HR B 1

We are grateful for your information regarding the presence of the Audi Q7 vehicle in the DPRK. At the same time we regret that this Audi vehicle is subject to a apparent violation of paragraph 8(a)(iii) of resolution 1718 (2006) and paragraph 23 and Annex IV of resolution 2094 (2013), prohibiting the direct or indirect supply, sale or transfer of luxury automobiles (and motor vehicles)1 to the DPRK. Audi explicitly shares the interest clarify and prevent such activities.

Therefor we would like to provide you with the following information:

- The car shown on the photography is an Audi Q7 model, built from 2012 to 2015
- Prevailing markets for the Audi Q7 are EU, USA and China but in relation to the overall market volume e.g. Australia and Saudi Arabia, too
- There is no special visible customization to be identified based on the photography
- The annual volume of production of this model regularly is close to 100.000 units
- The Q7 is mainly assembled at Volkswagen Slovakia but only sold by AUDI AG; for local market supplies this model was assembled at Volkswagen Group Rus (Kaluga, Russia) and at SAIPL (Aurangabad, India), too. These locally produced vehicles were sold by the local sales organizations in those local markets.

Audi does not supply any cars directly or knowingly indirectly to the DPRK. Furthermore, Audi did not have any evidence for the presence of Audi products in the DPRK yet. At Audi compliance with all applicable national and international export control and sanction regulations is treated as key compliance topic with high management attention. Export compliance is assured by an internal compliance program.

Yours faithfully,

Source: The Panel

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### **Annex 37: Chain of supply of luxury cars**

MB Roma, a Daimler dealer, delivered the vehicles on 9 February 2018 to European Cars & More, SRL with a contract condition that they should be registered in the name of the buyer at least for 6 months. European Cars & More, SRL cooperated with the Panel and stated that upon receipt of the vehicles it in fact immediately re-sold them, under a preliminary contract signed in December 2017 (Annex 39), to LS Logistica & Spedizioni SRL (a.k.a. LS Logistics & Shipment, Hong Kong) (hereafter Logistica).

The sale included an informal agreement with the client that the cars will be bought back eventually and thus they were not deregistered in Italy. Associated documents stated that the two Mercedes in question were to be exported to Hong Kong on 19 February 2018 (Annex 40). In its answer to the Panel's inquiry, the Netherlands confirmed that the goods were shipped by road from Italy to the Netherlands. Logistica dispatched the vehicles from Rotterdam to Dalian, changing the consignee several times, with eventual destination to DPRK.<sup>31</sup>

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<sup>31</sup> [S/2020/151](#), para. 155.

## Annex 38: Letter from the lawyer of European Cars & More

*Avv. Paola Zulli*  
*Patrocinante dinanzi alle Magistrature Superiori*  
*Via Pietro Pollidori n°4 - 66034 Lanciano (CH)*  
*el. 0872.711778 pers. 339-6086512 p.iva: 02138420696 - c.f.: ZLLPLA77A55E435Z*

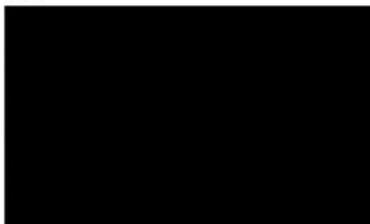


To:  
DPA-POE1874



Lanciano, 15.07.2020

c.c.



*Ref: European Cars e More s.r.l.; Panel Document dated 20 April, 2020; Panel Document dated May 22, 2020.*

Dear



following our video telephone conference of July 7, 2020, in order to reply to the specific questions you have done during the call and to give the Panel the information requested, European Cars and More ("European") intends to describe once again the whole operation of the two Mercedes Sedan S600 with Ls Logistica & Spedizioni LTD.

We refer also to your communication dated April 29, 2020 ("Panel Document April 2020") (in annex the communication dated November 19, 2020: "Panel Document November 2019") and your communication dated May 22, 2020 ("Panel Document May 20202) and to the information requested in such communications.

Our letters dated May 8 and May 23, 2020 are be considered integral part of this letter.

A. European Cars & More s.r.l.

European is since 2001 a leader company in High Security armored vehicles and operates on the global market of the security with vehicles certified in the entirety of all the components of armoring and subjected to the ballistic tests of the most qualified international entities.

The excellent international references are inevitably linked to security, reliability, seriousness and the extreme transparency of the service and its economic-commercial relations with all suppliers and customers, exclusively composed of Heads of State, Diplomatic Representatives, National and International Law Enforcement Forces and large industrial groups.

European's main activity is that of the short and long term rental of armoured cars; the cars are purchased by European from excellent car manufacturers and are provided with armor either directly

from the production company or through work carried out on the direct assignment of European.

The sale of armoured cars by European is a secondary and possible activity and is usually carried out after European has owned the cars as the first registration for a reasonable period of time.

In special circumstances, such as those of interest here, when the values of cars are particularly high, it may happen that the sale of cars replaces the rental and is accompanied by buyback pacts taken formally or informally by European.

Cianci Armoring is a brand of European.

European operates through its ceo Mrs. Maria Lucia Paolini and its commercial director Mr. Sandro Cianci.

#### B. Period 2017 - February 2018.

- 1) European is in contact during 2017 with [REDACTED] with offices in Roma, [REDACTED] in connection with advertising published on website of European.
- 2) During 2017 European signs an cooperation agreement with [REDACTED], with its office in Rome [REDACTED] in person of its legal representative [REDACTED] in order to promote European's activity exclusively in China.
- 3) European does not subscribe any contract with [REDACTED]
- 4) At the end of 2017 [REDACTED] introduces European to LS Logistica & Spedizioni SRL with its office in Rome, Viale Charles Lenormant no. 236 ("LS Italia") e to LS LOGISTIC & SHIPPING Ltd with its office in Hong Kong Suite 2301, 23/F Chenamen Hollywood ("LS Hong Kong").
- 5) As checked on Internet, both [REDACTED] and [REDACTED] of [REDACTED] are involved as representatives and shareholders of LS Italia e LS Hong Kong.
- 6) European has been informed by [REDACTED] that he operates for the account of other clients that are interests in European vehicles.

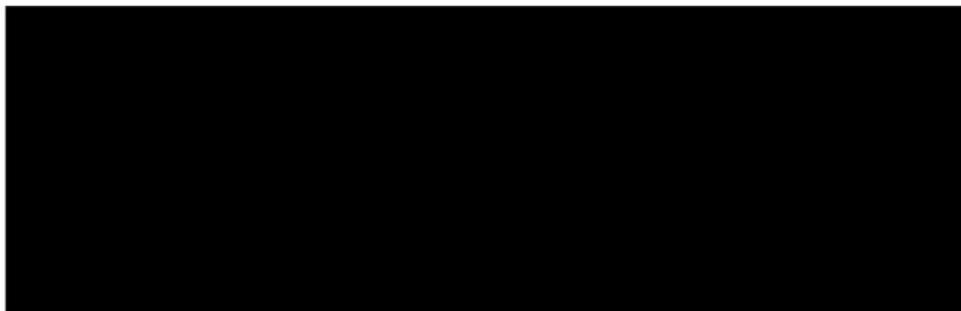
#### C. The February 2018 Vehicles Operation

1. LS Hong Kong, in person of [REDACTED] phisically present in European offices in Lanciano, subscribes a preliminary agreement ("*contratto preliminare acquisto auto nuova*") (Prot. 121/17/MPL/ds, December 27, 2017) for the two Mercedes S600 Sedan Long Guard VR9 ("Vehicles") (doc. no. 1).
2. European buys the Vehicles from Mercedes Benz Roma on February 8, 2018 at euro 421.926,23 each (doc.no.2) (information in the Certificato Cronologico del Pubblico Registro Automobilistico dated October 8, 2019, Annex 2 e Annex 3 of Panel Document November 2019 in the Panel Document April 2020: doc. no. 3).

3. The acquisition from Mercedes Roma is made as a rental without driver for special use ("*locazione senza conducente per uso speciale*", information in the Certificato Cronologico del Pubblico Registro Automobilistico dated October 8, 2019, Annex 2 e Annex 3 of Panel Document November 2019 in the Panel Document April 2020: doc. no.3).
4. European receives an advance payment from LS Hong Kong of euro 240.000,00 (Payment Order Unicredit: doc. no. 4) and issues invoice no. 4 of January 19, 2018 (doc. no. 5).
5. LS Hong Kong pays euro 960.000,00 on February 7, 2018 (doc. no. 6).
6. European issues invoice no. 9 of February 8, 2018 for the total payment (doc. no.7).
7. The Vehicles are registered on February 9 and 15, 2018 in name of European (see Annex 2 e Annex 3, sub doc. no. 3).
8. European receives instruction from LS Hong Kong on February 12, 2018 in order to the deliver of the Vehicles to personnel appointed by LS Hong Kong (doc. no. 8).
9. European physically delivers the Vehicles to the appointed person on February 19, 2018 (doc. no. 9).
10. European appoints LS Italia for the shipping of the Vehicles and SCL Cargo for the transport by sea from Rotterdam to the final destination HONG KONG (CMR no. 272721 dated 19 February, 2018: doc. no. 10).
11. European makes with the Public Automobilistic Register in Chieti a Complaint of Termination of Movement of the Vehicles on February 12, 2020, giving to the Register the relevant licence plates of the Vehicles (doc. no. 11 e doc. no. 12).

D. Period After February 2018





Vehicle	Car Chassis	Plate	N. Contr.	Date Contr.	Invoice No.	Invoice Date	Delivery	Termination Date
Mercedes S600 Guard	WDD2221761A35648 8	FN035C H	121/17	27/12/17	20	03/04/1 8	13/02/18	10/01/20
Mercedes S650 MAYBACH	WDD2229801A35165 5	FR839RD	62/18	25/06/18	44	07/08/1 8	10/12/18	10/01/20
Mercedes S600 PULLMAN	WDD2229761A33335 7	FN144YT	27/18	06/03/18	49	26/09/1 8	12/03/19	10/01/20

For these three Mercedes the Complaint of the Termination of Movement with PRA has been made on January 10, 2020.

European actually has no more contractual relationship with LS Italia and LS Hong Kong.

The cooperation contract with [REDACTED] has been expired in March 2018.

E. Awareness of the final destination

As the Panel can easily check, European was not initially aware of the final destination of the shipping of the Vehicles. European has been informed by LS representatives only that the final destination should have been China.

Only during the month of February 2018 European has been informed that the Vehicles should have been shipped to Hong Kong.

European declares under its own responsibility that it was aware that the final destination for European was Hong Kong as certified in the official document attached to this letter and no other information has been given to European for what concerns other destination of the Vehicles.

F. Further Information

We have been asked to specify any issue concerning the registration of the Vehicles on European name even after the operation made in February 2018.

In general, it should be noted that in the case of export to a non-EU country, the final export of the vehicle obliges the interested party to request the PRA's termination of movement under Art. 103, c. 1, *Codice della Strada*.

The same article of the Codice stipulates that, at the same time as the request, the licence plates and other vehicle documents are returned to the PRA, if the export has not been followed by the re-registration of the vehicle with a foreign number plate.

In the February 2018 operation European had agreed informally with [REDACTED] that the initial transaction was a sale, but had given his willingness to buy back the Vehicles and replace them with new ones, once LS Hong Kong had finished using them or considered replacing them.

In essence, it was a trading transaction with an un formalized buyback agreement.

In this way, European could maintain its commercial relationship with LS Hong Kong in a profitable and ongoing manner.

For these purposes, European kept in its hands the licence plates in order to be able to reuse them on the Vehicles when they would be returned (resold) by LS Hong Kong.

G. Final Declaration

European declares under its own responsibility and confirms once again that there has never been any relationship between European, its personnel and managers and the Democratic People's Republic of Korea in violation of any Security Council resolution.

European believes to have given any relevant information about its position and its activity in this specific case concerning the February 2018 operation with reference of the Vehicles with LS Hong Kong.

European is confident that it will be beyond any reasonable doubt not considered by the Panel part of any supply chain for the illegal introduction of luxury goods in DPRK and that this conclusion will be confirmed with the publication by the Panel of Expert of a positive Report and noticed to the relevant entities of such case (i.e., Daimler AG, Mercedes Benz Italia e Mercedes Benz Roma, Italian Government).

This letter is addressed for any convenience to the Italian Government representatives.

Yours faithfully

[REDACTED]

Source: The Panel

## Annex 39: Preliminary contract between European Cars & More and LS Logistics & Shipment



Prot. 121/17/MLP/ds

### CONTRATTO PRELIMINARE ACQUISTO AUTO NUOVA

Il sottoscritto Tupone Marco, abitante in Roma, Via Armando Crisciani 72 - 00121 - nato il 09/10/1975 a Roma - Tel. 339 6059612,  
Direttore della società **LS Logistic & Shipping Limited** con sede presso:  
Suite 2301, 23/F Chinachem Hollywood Centre 1-13 Hollywood Road, Hong Kong

#### ACQUISTA

presso la sede della: **EUROPEAN CARS & MORE SRL**  
in Lanciano (CH), Via Villa Martelli 299/A  
Telefono +39 872 724440 - Fax +39 872 716567 - email: commerciale@veicoliblandati.it

#### Due (n. 02) Auto nuove:

- **marca:** MERCEDES BENZ
- **modello:** S600 SEDAN LONG GUARD VR9
- **anno fabbricazione:** modello 2018
- **dotazione e optional:** Vedere allegato A
- **data di consegna:** 09 febbraio 2018
- **prezzo EXW:** € 600.000,00 cadauna (esente IVA)

#### Prezzo di acquisto netto :

€ 1.200.000,00 (esente IVA )

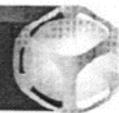
Il venditore resta proprietario del veicolo fino all'intero pagamento del prezzo.

#### Condizioni di pagamento:

- 20% all'ordine con bonifico bancario
- 80% (saldo) 5 gg prima della consegna della vettura, con bonifico bancario

**Termine di consegna:** come da accordo, la consegna avviene entro e non oltre il 09/02/2018.

European Cars & More Srl  
Sede operativa: Villa Martelli, 299/A - 66024 Lanciano (CH) - T. +39 0872 724440 - Fax +39 0872 728066  
P.IVA 01985340692 - commerciale@veicoliblandati.it - www.veicoliblandati.it



**In caso di mancata consegna nella data sopra citata (termine di consegna) il Venditore:**

- 1- Pagherà una penale del 10% sul totale fatturato per ogni settimana successiva alla data di consegna non rispettata
- 2- Non potrà recedere, rinegoziare, cancellare e né contestare il contratto stipulato in data 27/12/2017.

**Il venditore garantisce che:**

- la garanzia del venditore viene estesa tramite garanzia supplementare da 2 anni (DL 206/2005) a ..... anni.
- il veicolo dispone della seguente dotazione.....
- il veicolo è completo della seguente documentazione: .....
- certificato C.O.C.,  libretto di manutenzione ordinaria,  .....
- qualsiasi modifica eseguita al veicolo è stata autorizzata con conforme immatricolazione avvenuta
- vengono consegnati nr..... chiavi

Il contratto è soggetto alle disposizioni del C.C.

Lanciano, 27 dicembre 2017

**Firma venditore**



**firma acquirente**



Source: The Panel

Annex 40: Shipping documents of Mercedes to Hong Kong

1 100100000 (Importazione, esente d'iva) Esportazione (esente d'iva) (Number Name, Address, Land)		LETTERA DI VETTURA INTERNAZIONALE LETTRE DE VOITURE INTERNATIONALE INTERNATIONAL CONSIGNMENT NOTE FRACHTBRIEF - TRANSPORTDOKUMENT		CMR N. 272721	
EUROPEAN CARS & MORE SRL - VIA DEL MARE 141 - LANCIANO, CHIETI, PRESSO LS LOGISTICA & SPEDIZIONI SRL, VIALE CHARLES LENORMANT 236-00122 ROMA		16 161000000 (Importazione, esente d'iva) Esportazione (esente d'iva) (Number Name, Address, Land)		16 161000000 (Importazione, esente d'iva) Esportazione (esente d'iva) (Number Name, Address, Land)	
2 100100000 (Importazione, esente d'iva) Esportazione (esente d'iva) (Number Name, Address, Land)		LS LOGISTICS & SHIPPING LTD - SUITE 7301, 23V CHENAMEN HOLLYWOOD, HONG KONG		17 171000000 (Importazione, esente d'iva) Esportazione (esente d'iva) (Number Name, Address, Land)	
3 100100000 (Importazione, esente d'iva) Esportazione (esente d'iva) (Number Name, Address, Land)		ROTTERDAM PER IMBARCO VIA NAVE		17 171000000 (Importazione, esente d'iva) Esportazione (esente d'iva) (Number Name, Address, Land)	
4 100100000 (Importazione, esente d'iva) Esportazione (esente d'iva) (Number Name, Address, Land)		CHIETI - LANCIANO 1902/2018		18 181000000 (Importazione, esente d'iva) Esportazione (esente d'iva) (Number Name, Address, Land)	
5 DOCUMENTI ALLIGATI Documente attached (Number Name, Address, Land)		FATTURA COMMERCIALE		19 191000000 (Importazione, esente d'iva) Esportazione (esente d'iva) (Number Name, Address, Land)	
6 CONTROSEGNA E NUM. MANIFESTO Manifest Number (Number Name, Address, Land)		7 NUM. DI COLLE Number of bills (Number Name, Address, Land)		8 IMBALLAGGIO Mode of Packing (Number Name, Address, Land)	
WDD221761A356398 WDD221761A355444		1 1		AUTOVETTURA MERCEDES SEDAN S 600 AUTOVETTURA MERCEDES SEDAN S 600	
9 PNEUMI/VALIGIE E ACCESSORI Tyres and Trunks (Number Name, Address, Land)		10 PESO LORDO Gross Weight (Number Name, Address, Land)		11 NETTO Net Weight (Number Name, Address, Land)	
4800 KG 4800 KG		TOTALE TOTALE		12 121000000 (Importazione, esente d'iva) Esportazione (esente d'iva) (Number Name, Address, Land)	
13 INVIATO PER IL RICEVIMENTO (Number Name, Address, Land)		14 INVIATO PER IL RICEVIMENTO (Number Name, Address, Land)		15 151000000 (Importazione, esente d'iva) Esportazione (esente d'iva) (Number Name, Address, Land)	
16 161000000 (Importazione, esente d'iva) Esportazione (esente d'iva) (Number Name, Address, Land)		17 171000000 (Importazione, esente d'iva) Esportazione (esente d'iva) (Number Name, Address, Land)		18 181000000 (Importazione, esente d'iva) Esportazione (esente d'iva) (Number Name, Address, Land)	
19 191000000 (Importazione, esente d'iva) Esportazione (esente d'iva) (Number Name, Address, Land)		20 201000000 (Importazione, esente d'iva) Esportazione (esente d'iva) (Number Name, Address, Land)		21 211000000 (Importazione, esente d'iva) Esportazione (esente d'iva) (Number Name, Address, Land)	
22 LS LOGISTICA & SPEDIZIONI S.r.l. V.le Charles Lenormant, 236/240 00119 Roma (RM) Tel. 06 5652268 / Fax 06 5650933 C.F. n. IVA 05433581008		23 231000000 (Importazione, esente d'iva) Esportazione (esente d'iva) (Number Name, Address, Land)		24 241000000 (Importazione, esente d'iva) Esportazione (esente d'iva) (Number Name, Address, Land)	

Source: The Panel

**Annex 41: T Specialist and its link with a DPRK national**

On 26 June 2020, the Singapore authorities charged Sherly Muliawan, shipping manager at T Specialist (79 counts) and Lam Hon Lan, secretary at SCN (43 counts) under its domestic law to implement relevant UNSCRs (Annexes 42 and 43). In June 2020 the sentence was handed down to Li Hyon, national of the Democratic People's Republic of Korea, son of Pyongyang-based Li Ik. He served as his DPRK-based father's business representative in Singapore and, as charged, facilitated at least 14 orders of luxury goods worth over 400,000 SGD (\$280,000) through T Specialist and SCN, making orders and payments, monitoring shipments, and even hand-delivering the goods to DPRK.<sup>32</sup> He received a jail sentence, which has already been served by that time, and in July 2020 departed Singapore.<sup>33</sup>

*Source:* The Panel

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<sup>32</sup> <https://www.nknews.org/2020/06/north-korean-receives-four-week-jail-sentence-in-singaporean-luxury-goods-case/?t=1592987812340>

<sup>33</sup> For the court sentence, see State Courts of the Republic of Singapore, *Public Prosecutor v. Ng Kheng Wah, T Specialist International (S) Pte. Ltd. and Wang Zhiguo*, Case No. [2019] SGDC 249, Judgment, 22 November 2019.

**Annex 42: The letter from the Permanent Mission of Singapore to the UN**

PERMANENT MISSION OF THE REPUBLIC OF SINGAPORE  
UNITED NATIONS | NEW YORK

15 July 2020

██████████  
Coordinator

Panel of Experts established pursuant to Security Council Resolution 1874 (2009)

██████████

I refer to our previous letter dated 13 May 2020 to the Panel, which updated the Panel that the Singapore authorities were taking action against SCN Singapore Pte Ltd ("SCN") for supplying luxury goods to the DPRK in violation of UN Security Council Resolutions, and our correspondence with the Panel since 2017 in respect of SCN, T Specialist International (S) Pte Ltd ("T Specialist"), and related entities and individuals.

On 26 June 2020, the Singapore authorities charged Sherly Muliawan, shipping manager at T Specialist (79 counts) and Lam Hon Lan, secretary at SCN (43 counts) under Regulation 14(1)(c)(i) read with Regulation 16(1) of the United Nations (Sanctions – DPRK) Regulations 2010 for failing to provide information to the Singapore authorities in respect of the supply of prohibited luxury goods to the DPRK. The charge sheets for Sherly Muliawan and Lam Hon Lan are enclosed.

We hope the information provided will be helpful to the work of the Panel. Singapore remains committed in our efforts to implement our obligations under the relevant UN Security Council Resolutions, and will continue to be of assistance to the Panel where possible.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'Jophie Tang'.

**JOPHIE TANG**  
Chargé d'Affaires a.i.

Enc.

315 East 48th Street, New York, NY 10017, United States of America | T +1 (212) 826 0840 | F +1 (212) 826 2964 | [info.gps@newyork.un.org](mailto:info.gps@newyork.un.org)

Source: Member State

## Annex 43: Press-release by Singaporean Police force

### TWO PERSONS CHARGED WITH FAILURE TO PROVIDE INFORMATION RELATING TO THE SUPPLY OF DESIGNATED LUXURY ITEMS TO THE DEMOCRATIC PEOPLE'S REPUBLIC OF KOREA

Two women, a 40-year-old Singaporean and a 41-year-old Singapore Permanent Resident, were charged in court on 26 June 2020 with failure to provide information to the Police relating to the supply of designated luxury items to the Democratic People's Republic of Korea (DPRK), in contravention of the United Nations (Sanctions – DPRK) Regulations 2010.

Investigations by the Commercial Affairs Department revealed that SCN Singapore Pte Ltd, Laurich International Pte Ltd and Sindok Trading Pte Ltd, had supplied designated luxury items, which included precious jewellery and watches with precious metals, to the DPRK on 43 occasions between 27 December 2010 and 18 November 2016. The 40-year-old woman was an employee of SCN Singapore Pte Ltd and handled administrative work for Laurich International Pte Ltd and Sindok Trading Pte Ltd. The 41-year-old woman was an employee of T Specialist International (S) Pte Ltd, which had supplied designated luxury items to the DPRK on 79 occasions between 23 November 2010 and 5 January 2017.

Despite having information about the prohibited transactions made by the companies which they worked for, both women failed to provide the Police with the information. They were charged with 43 and 79 counts of breaches of Regulation 14(1)(c)(i) read with Regulation 16(1) of the United Nations (Sanctions – DPRK) Regulations 2010 respectively. T Specialist International (S) Pte Ltd had earlier been fined \$380,000 on 22 November 2019 while the court proceedings for the three other companies are ongoing.

The United Nations (Sanctions – DPRK) Regulations 2010 prohibits any person in Singapore or citizen of Singapore outside Singapore from supplying, selling or transferring, directly or indirectly, any designated luxury item to any person in the DPRK. Anyone in Singapore and any citizen of Singapore outside Singapore who has information about any property of persons designated by the United Nations, any transaction of such property or any transaction prohibited by the Regulations should immediately inform the Police and provide such information relating to the transaction. If convicted of an offence under the United Nations Act for breaching these regulations, the accused person can be jailed for up to five years (if the offence was committed before 10 March 2014) or 10 years (if the offence was committed on or after 10 March 2014); or fined; or both.

Anyone with information relating to such cases may call the Police hotline at 1800- 255-0000, or submit information online at [www.police.gov.sg/iwitness](http://www.police.gov.sg/iwitness). Please dial '999' if you require urgent Police assistance.

Singapore takes its obligations under the United Nations Security Council Resolutions seriously. We will not hesitate to take action against any individual or entity that breaches our laws and regulations.

**PUBLIC AFFAIRS DEPARTMENT**  
**SINGAPORE POLICE FORCE**  
26 June 2020 @ 5:00 PM

*Source: Member State*

#### Annex 44: Travel record of Kim Tong Chol

According to Angola, Kim Tong Chol entered Angolan territory on 8 August 2018, covered by the official visa 000459212/CNB/18. He came from Ethiopia, on the Ethiopian Airlines flight ET854, which arrived at 1:11 pm. He left Namibia on 24 August 2018 on the Air Namibia flight SW173 to Windhoek, that departed at 9:10am.

The DPRK passport information used by Mr. Kim for entry to Angola is as follows:

Passport number: 108120258

Issued date: 14 February 2018

Expiration date: 14 February 2023

To address this issue, Angola took additional internal measures to prevent similar situations from occurring in the future.

#### Reference: immigration record of Kim Tong Chol

Date	Entry/Exit	Passport number	Passport type
23/09/2017	Exit from Namibia	927234267	Ordinary
<b>08/08/2018</b>	<b>Exit from Ethiopia</b>	Not confirmed	Not confirmed
<b>08/08/2018</b>	<b>Enter to Angola</b>	<b>108120258</b>	<b>Service</b>
<b>24/08/2018</b>	<b>Exit from Angola</b>	<b>108120258</b>	<b>Service</b>
24/08/2018	Entry to Namibia	108120258	Service
30/04/2019	Exit from Namibia	108120258	Service
07/05/2019	Entry to Namibia	108120258	Service
17/05/2019	Exit from Namibia	108120258	Service

Note: bold items were newly confirmed by a Member State

Source: The Panel, Member States

## **Annex 45: Possible procurement of statue in Benin and Guinea**

### **Benin**

The Panel obtained information indicating that Mansudae is involved in a project to build a 15-30-meter-high bronze statue in Benin, which is intended to be completed in August 2020. The company is likely to have used another name and identity for this contract. The Panel has not received reply to its enquiry to Benin.

### **Guinea**

According to a Member State, the Democratic People's Republic of Korea planned to sell a bronze statue of former President Ahmed Sékou Touré to Guinea. The cost of the statue was believed to be approximately USD 50,000 and it was to be constructed outside of Guinea and transported via Conakry Port for installation in Guinea. The delivery was likely to be mid-2020. The Panel considers Mansudae may be involved in this project, obfuscating its identity. The Panel has not received reply to its enquiry to Guinea.

## Annex 46: List of DPRK trading corporations subordinate to the Munitions Industry Department (MID, KPe.028)

Kuryonggang Trading Corporation (구룡강무역회사)	*alias of KPe.008
Ryungseng Trading Corporation (룡성무역회사)	*alias of KPe.008
Tangun Trading Corporation (단군무역회사)	*alias of KPe.008
Hangryon Trading Corporation (항련무역회사)	
Ryonbong General Corporation (련봉총회사)	*alias of KPe.002
5 Trading Corporation (5무역회사)	
Pugang Trading Corporation (부강무역회사)	*alias of KPe.038
Mirae Trading Corporation (미래무역회사)	
Ryonhap Trading Corporation (련합무역회사)	
Advanced Technology Trading Corporation (첨단기술무역회사)	
Jinhung Joint Production Corporation (진흥합작회사)	
Sobaeksu United Corporation (소백수련합회사)	
Pihosan Trading Corporation (비호산무역회사)	
Sinhung IT Trading Corporation (신흥정보기술무역회사)	
Chonryong Trading General Corporation (천룡무역총회사)	
Taesong Trading Corporation (태성무역회사)	*alias of KPe.041
Peace Motors Corporation (평화자동차회사)	
Taeryonggang Trading Corporation (대령강무역회사)	*alias of KPe.004
Korea Changgwangsan Trading Corporation	

*Source:* Member States, The Panel

- \*KPe.008: Korea Tangun Trading Corporation (조선단군무역회사)
- \*KPe.002: Korea Ryonbong General Corporation (조선련봉무역회사)
- \*KPe.038: Korea Pugang Trading Corporation (조선부강무역회사)
- \*KPe.041: Korea Taesong Trading Corporation (조선태성무역회사)
- \*KPe.004: Namchongang Trading Corporation (남천강무역회사)

## **Annex 47: Member State information on *modus operandi* of DPRK IT workers in China and Russia**

According to information from a Member State, as of December 2019, groups of information technology workers from the Democratic People's Republic of Korea – usually composed of ten to twenty individuals – were earning USD 100,000 or more per month in China. According to the information, many additional instances of information technology workers subordinate to the Munitions Industry Department entering China were observed in 2019, and hundreds of them were still working in China as of March 2020, illicitly gaining access to freelance platform accounts in the names of third country individuals.

According to information from the Member State, multiple groups of Democratic People's Republic of Korea workers including information technology workers subordinate to the Munitions Industry Department entered Russia in 2019 for the purposes of work and continued to work in 2020. According to the information, as of late 2019, groups of IT workers in Russia were averaging a per-person monthly revenue of \$5,000-\$6,000, and reportedly utilize false, foreign identities in order to access information technology work freelance platforms, cryptocurrency exchanges, and payment websites.

*Source:* Member State

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**Annex 48: Roles of the DPRK's General Staff Department, Reconnaissance General Bureau, and the Ministry of State Security in DPRK cyber operations**

According to information from a Member State, the General Staff Department, the Reconnaissance General Bureau and the Ministry of State Security have different roles in planning and execution of cyberattacks by the Democratic People's Republic of Korea.

The General Staff Department is the umbrella organization of the Reconnaissance General Bureau and does not conduct malicious cyber activities itself. The Reconnaissance General Bureau conducts hacking activities for the purpose of information theft and financial gain, and the Ministry of State Security mainly carries out cyber campaigns against Democratic People's Republic of Korea refugees and relevant organizations to steal information related to the security of the Democratic People's Republic of Korea.

The Reconnaissance General Bureau and the Ministry of State Security are assumed to have different targets based on their duties, and no case has been found where the two entities have divided or coordinated their roles in planning or initiating cyberattacks.

*Source:* Member State

## Annex 49: Documents concerning Mr. Han Kwang Song's contracts

### (1) Email dated 25 February 2020 from Juventus to al-Duhail concerning transfer fee



However, in accordance with the Transfer Agreement dated 7 January 2020 and signed by our Clubs, the payment of Euro 7.000.000,00 already fell due on 6 February 2020.

Therefore we hereby request the immediate payment of the above mentioned sum.

Source: The Panel

(2) Contract of Mr. Han Kwang Song with Al-Duhail for total amount of EUR. 4,310, 000 NET payment and bonuses dated 5 January 2020 (excerpt)



**شركة نادي الدحيل الرياضي**  
**ALDUHAIL SC CO.**  
Email : duhailsc@duhailsc.qa | www.duhailsc.com

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**Football Player's Contract SCHEDULE**

1. The Club shall pay to the Player the total amount of EUR, 4,3 10,000 NET (Four Million Three Hundred and Ten Thousand Euros) as follows:

**FIRST SEASON: (2019/2020)**

(i) A monthly salary of EUR 90,000 NET (Ninety Thousand Euros) shall be paid through equal and 5 monthly instalments by the Club to the Player on or before the end of each calendar month from 01/02/2019 through 30/06/2020;

**SECOND SEASON: (2020/2021)**

(iii) An advanced payment of EUR 300,000 NET (Three Hundred Thousand Euros) shall be paid by the Club to the Player on 01/09/2020;

(iv) A monthly salary of EUR 66,500 NET (Sixty Six Thousand Five Hundred Euros) shall be paid through equal and 10 monthly instalments by the Club to the Player on or before the end of each calendar month from 01/08/2020 through 30/05/2021;

**THIRD SEASON: (2021/2022)**

(v) An advanced payment of EUR 300,000 NET (Three Hundred Thousand Euros) shall be paid by the Club to the Player on 01/09/2020;

(vi) A monthly salary of EUR 66,500 NET (Sixty Six Thousand Five Hundred Euros) shall be paid through equal and 10 monthly instalments by the Club to the Player on or before the end of each calendar month from 01/08/2021 through 30/05/2022;

**FOURTH SEASON: (2022/2023)**

(v) An advanced payment of EUR 300,000 NET (Three Hundred Thousand Euros) shall be paid by the Club to the Player on 01/09/2022;

(vi) A monthly salary of EUR 66,500 NET (Sixty Six Thousand Five Hundred Euros) shall be paid through equal and 10 monthly instalments by the Club to the Player on or before the end of each calendar month from 01/08/2022 through 30/05/2023;

**FIFTH SEASON: (2023/2024)**

(v) An advanced payment of EUR 300,000 NET (Three Hundred Thousand Euros) shall be paid by the Club to the Player on 01/09/2023;

(vi) A monthly salary of EUR 66,500 NET (Sixty Six Thousand Five Hundred Euros) shall be paid through equal and 10 monthly instalments by the Club to the Player on or before the end of each calendar month from 01/08/2023 through 30/05/2024;



**شركة نادي الدحيل الرياضي**  
**ALDUHAIL SC CO.**  
Email : duhailsc@duhailsc.qa | www.duhailsc.com

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2. The Player shall also be entitled to the following bonuses provided that he has participated in the competition:

- (i) EUR 30,000 (Thirty Thousand Euros) in the event the Club becomes the winner (champion) of Qatar Star League;
- (ii) EUR 15,000 (Fifteen Thousand Euros) in the event the Club becomes the winner (champion) of Emir Cup;
- (iii) EUR 60,000 (Sixty Thousand Euros) in the event the Club becomes the winner (champion) of the Asian Champions League;
- (iv) EUR 15,000 (Fifteen Thousand Euros) in the event the Player Scores 15 goals in official league matches for the (QNB League ).
- (v) EUR 15,000 (Fifteen Thousand Euros) in the even the Player assists 15 goals in official league matches for the (QNB League ).

Both Parties agree that all the above-mentioned bonuses will be entirely awarded to the Player if the Club terminates this Contract without just cause, or in case of termination for just cause or with settlement agreement if such objective is achieved. In this case, bonuses will be paid after the date of termination of this Contract.

Bonuses are paid 30 days after the achievement of the objective.

3. The Club will purchase 4 (Four) business class return air tickets from Doha to North Korea to be used by the Player and his family.

4. Throughout the duration of this Contract, the Club will provide reasonably suitable furnished accommodation including utilities (not including telephone, cable subscriptions or internet) in Doha for the use of the Player and (if applicable) his spouse and his children while this Contract is still in force. Should the player prefer, a housing allowance of 20,000 Qatari Riyals per month can instead be provided.

5. The Club while this Contract is in force, shall provide the Player with a suitable vehicle for transportation, for use by the Player during his employment by the Club.

6. The Club shall not be entitled to make any Qatar income tax deductions from the Player's financial entitlements under this Contract. "Qatar income tax" shall mean "tax that may be levied by the Government of the State of Qatar on the income of individuals in the State of Qatar". The Parties acknowledge that presently, there is no Qatar income tax enforced in the State of Qatar.

In concluding this Contract, the following have acted as intermediary of the Player.



**AL DUHAIL SPORT CLUB**

Doha, 5<sup>th</sup> January 2020



Mr. [Redacted]  
Intermediary of the Player

[Redacted]

**Kwang Song Han**

Source: The Panel

**(3) Transfer of Mr. Han Kwang Song' s payment from February to April 2020***Translated from Arabic***Alduhail SC Co.**Date: 22 April 2020  
Ref.: *alif mim* 2397/2020

Subject: Bank transfer

Sir,

Alduhail Sports Club Company presents its warmest compliments to you. With regard to the above-mentioned subject, please ask your competent officials to transfer the sum of €270,000 (two hundred and seventy thousand euros) to cover salary for the months of February, March and April 2020 from the account that Alduhail Sports Club maintains with you [REDACTED] to:

<i>Player name</i>	<i>Bank name</i>	<i>A/C number EUR</i>	<i>Amount €</i>
Kwang Song Han	[REDACTED]	[REDACTED]	270,000

Please advise that you have received this and that the transfer has been carried out.

[REDACTED]  
[REDACTED], Alduhail Sports Club Company

Source: The Panel

- (4) Pledge submitted by Mr. Han Kwang Song to a Qatari bank, at which he has an account, not to transfer money to the DPRK

Date: 01/02/2020

**To whom it concern**

**Subject: Endorsement and pledged**

**To : Masraf Al Rayan**

With reference to the above subject, I,

**Mr. KWANG SONG HAN**

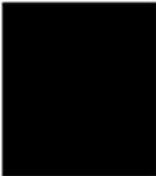
Nationality/ People's Republic of Korea( North Korea)  
- Passport No. / 108132871,

Declared that I will not work to transfer any money  
cost or amount to North Korea in any cases.

I acknowledge to the above mentioned ....

Thanks .....

Name: *HAN Kwang Song*

Signature:  

Source: The Panel



Annex 50: Profile of Mr. Pak Kwang Ryong on team website as of June 2020

**19**  
**KWANG RYONG PAK**  
STURM

**DATEN**

<b>PROFIS</b> MANNSCHAFT	<b>1,88 M</b> KÖRPERGRÖSSE	<b>1992-09-27</b> GEBURTSDATUM
<b>19</b> RÜCKENNUMMER	<b>-</b> GEWICHT	<b>WAAGE</b> STERNZEICHEN
<b>2017</b> SPIELER SEIT	<b>PYONGJANG</b> GEBURTSORT	<b>LAUSANNE SPORT</b> VORHERIGER VEREIN

WEITERE PROFIS

Source: website of SKN St. Pölten, <https://www.skn-stpoelten.at/de/teams/profis/kader/66243590-85a6-4e87-a418-3aaaf1e1d6c2> (accessed on 3 June 2020)

## **Annex 51: Repatriation of DPRK nationals conducted by Angolan government**

In a letter dated 17 July 2020, Angola replied to the Panel with the following information concerning medical workers and other DPRK nationals earning income in Angola.

### **(1) Renunciation of bilateral cooperation with the DPRK in the health sector**

According to Angola, based on a bilateral cooperation agreement in the health sector with the DPRK, DPRK doctors of various specialties were hired in Angola to provide services to the national health system.

However, in compliance with the relevant resolutions, in particular paragraph 8 of resolution [2397 \(2017\)](#), Angola renounced the bilateral cooperation agreement in the field of health with the DPRK and consequently, repatriated the doctors, other professionals and their families.

### **(2) Repatriation of the DPRK nationals earning income overseas**

Between November 2019 and February 2020, Angola repatriated 296 DPRK nationals according to resolution [2397 \(2017\)](#). In addition, the authorities have implemented more strict administrative measures to prevent the issuance of work visas for DPRK nationals.

With the aim of adapting national migration procedures to current requirements, Angola approved Law 13/19 (23 May 2019) on the Legal Framework for Foreign Citizens in Angola, which reinforces the additional requirements for citizens of countries under international sanctions, in line with Security Council resolutions.

Also, Presidential Decrees No. 79/17 (24 April 2017) and 43/17 (6 March 2017) which alter some provisions of the General Labor Law, establish new rules applicable to the Professional Activity of Non-Resident Foreign Workers.

As of 14 July 2020, there is no record of DPRK citizens exercising lucrative professional activities (medical and other) in Angola.

## (3) List of DPRK nationals repatriated from Angola

Nº	NOME	APELIDO	Nº PASSAPORTE	NACIONALIDADE	LOCAL DE SAÍDA	DATA DE SAÍDA	HORA	DESTINO	NUMERO DO BILHETE
1	YONG OK	PAK	108335854	N.COREANA	LUANDA	30.10.2019	16:27		
2	KYONG CHAE	KANG	108232013	N.COREANA	LUANDA	26.11.2019	15:31	DUBAI	EK794 1762411987643-1
3	JI YONG	RI	108335720	N.COREANA	LUANDA	26.11.2019	15:33	DUBAI	04:45
4	JONG OK	PAK	654434405	N.COREANA	LUANDA	26.11.2019	15:36	DUBAI	EK794 1762411987615-1
5	HO CHOL	RI	108439320	N.COREANA	LUANDA	26.11.2019	18:05	DUBAI	04:45
6	MI OK	JONG	745434581	N.COREANA	LUANDA	26.11.2019	15:37	DUBAI/BEIJING	EK0308 1762415027002-2
7	NAM CHOL	RI	7453342266	N.COREANA	LUANDA	26.11.2019	18:05	DUBAI	EK794 1762411987648-1
8	YONG AE	RO	745436816	N.COREANA	LUANDA	26.11.2019	15:39		
9	SONG CHOL	PAK	8362389164	N.COREANA	LUANDA	26.11.2019	15:48		
10	UN HUI	SONG	745431173	N.COREANA	LUANDA	26.11.2019	15:52	DUBAI	EK794 1762411987609-1
11	SONG GOL	KIM	1083356404	N.COREANA	LUANDA	26.11.2019	15:52	DUBAI	EK794
12	HYE SUK	KANG	108335875	N.COREANA	LUANDA	26.11.2019	15:53	DUBAI	EK794 1762411987603-1
13	SONG CHOL	RO	745335682	N.COREANA	LUANDA	26.11.2019	18:08	DUBAI	EK794 1762411987607-1
14	HYONG THAE	JONG	7453356911	N.COREANA	LUANDA	26.11.2019	18:05	DUBAI	EK794 1762411987612.1
15	JONG OK	PAK	7454368371	N.COREANA	LUANDA	26.11.2019	18:05	DUBAI	EK794 1762411887615-1
16	HWA SUK	JANG	1084393275	N.COREANA	LUANDA	26.11.2019	18:05	DUBAI	EK794 1762411987610-1
17	CHANG HO	RIM	1084393264	N.COREANA	LUANDA	26.11.2019	18:05	DUBAI/BEIJING	EK794 1762411987606
18	JONG HO	KIM	7453341922	N.COREANA	LUANDA	26.11.2019	18:05	DUBAI	EK0308 1762411987613-2
19	MYONG HWA	SONG	745431155	N.COREANA	LUANDA	28.11.2019	16:10	DUBAI/BEIJING	EK794 1762415027082

20	JANG SIK	SIN	745334195	N.COREANA	LUANDA	28.11.2019	16:12	DUBAI/BEIJING	EK308 1762415027074
21	TOK JAE	HO	745334239	N.COREANA	LUANDA	28.11.2019	16:12	DUBAI/BEIJING	EK/ETKT 1762415027069
22	SON	JONG	745431168	N.COREANA	LUANDA	28.11.2019	16:14	DUBAI/BEIJING	22:30
23	YONG SUK	KIM	8361306065	N.COREANA	LUANDA	28.11.2019	16:15	DUBAI/BEIJING	EK794 1762415027071
24	CHAN GO	JON	927134579	N.COREANA	LUANDA	28.11.2019	16:16	DUBAI	04:45
25	CHANG SIK	MUN	927134049	N.COREANA	LUANDA	28.11.2019	16:19	DUBAI	EK/ETKT 1762415027088
26	CHUN WOL	SIN	927134049	N.COREANA	LUANDA	28.11.2019	16:20	DUBAI/BEIJING	EK794
27	HYANG RAN	RI	108335855	N.COREANA	LUANDA	28.11.2019	16:21	DUBAI	04:45
28	JONG HWA	KIM	745334451	N.COREANA	LUANDA	28.11.2019	16:24	DUBAI	04:45
29	SONG GWON	JANG	745334213	N.COREANA	LUANDA	28.11.2019	16:24	DUBAI/BEIJING	EK794 1762425027111
30	YONG SU	HAN	7453356922	N.COREANA	LUANDA	28.11.2019	16:45	DUBAI/BEIJING	22:30
31	MYONG CHOL	MUN	108230436	N.COREANA	LUANDA	28.11.2019	16:29	DUBAI	04:45
32	HYON SUK	RI	745436801	N.COREANA	LUANDA	28.11.2019	16:39	DUBAI/BEIJING	EK308 1762415027100
33	MUN SAM	PAK	745334205	N.COREANA	LUANDA	28.11.2019	16:30	DUBAI/BEIJING	EK794 1762425027209
34	YONG HO	KIM	745334196	N.COREANA	LUANDA	28.11.2019	16:30	DUBAI/BEIJING	EK794 1762415027087
35	YONG HUI	KIM	745436822	N.COREANA	LUANDA	28.11.2019	16:31	DUBAI/BEIJING	EK/ETKT 1762415027079
36	HYON SUK	JANG	745436805	N.COREANA	LUANDA	01.12.2019	16:32	DUBAI	EK794 1762415027084
37	TO MIN	CHOE	745334244	N.COREANA	LUANDA	01.12.2019	15:16	DUBAI	EK794
38	MOK RAN	HYON	836434652	N.COREANA	LUANDA	01.12.2019	15:16	DUBAI	EK794 1762415027152-1
39	OK SUN	KIM	745431166	N.COREANA	LUANDA	01.12.2019	15:17	DUBAI	
40	KANG CHOL	HAN	836237966	N.COREANA	LUANDA	01.12.2019	15:17	DUBAI	EK794 1762415027149-1
41	CHAN OK	RI	7454368393	N.COREANA	LUANDA	01.12.2019	18:05	DUBAI	
42	HUN SONG	KO	7453342185	N.COREANA	LUANDA	01.12.2019	18:05	DUBAI	EK794 1762415027122-1
43	KUM OK	KIM	836131964	N.COREANA	LUANDA	01.12.2019	15:24	DUBAI	EK794 1762415027200-1
44	JONG AE	RYANG	7454368212	N.COREANA	LUANDA	01.12.2019	18:05	DUBAI	EK794 1762415027162-1
45	KWANG SIK	HWANG	745334164	N.COREANA	LUANDA	01.12.2019	15:25	DUBAI	EK794 1762415027159-1
46	HUI RYOL	SONG	745431135	N.COREANA	LUANDA	01.12.2019	15:27	DUBAI	EK794 1762415027163-1
47	UNG IL	CHOE	7453342451	N.COREANA	LUANDA	01.12.2019	18:05	DUBAI	EK794
48	MYONG CHOL	HONG	7453342026	N.COREANA	LUANDA	01.12.2019	18:05	DUBAI	EK794 1762415027196-1
49	KWANG CHOL	HYON	7453342004	N.COREANA	LUANDA	01.12.2019	18:305	DUBAI	EK794 1762415027151-1
50	UN HAN	HONG	7454368186	N.COREANA	LUANDA	01.12.2019	18:05	DUBAI	EK794
51	HYANG RAN	KIM	7454368304	N.COREANA	LUANDA	01.12.2019	18:05	DUBAI	EK794 1762415027199-1

52	MYONG SIK	KIM	745334201	N.COREANA	LUANDA	01.12.2019	15:35	DUBAI	EK794
53	TAE HUNG	KIM	7454358071	N.COREANA	LUANDA	01.12.2019	18:05	DUBAI	EK794 1762415027161-1
54	SONG HUI	CHOE	1083358800	N.COREANA	LUANDA	03.12.2019	18:05	DUBAI	EK794 1762415027207-1
55	HYON SIK	RI	1083355784	N.COREANA	LUANDA	03.12.2019	18:05	DUBAI	EK794 1762415027232-1
56	SUN OK	SONU	108335888	N.COREANA	LUANDA	03.12.2019	14:46	DUBAI	EK794 1762415027235-1
57	HYON CHOL	HWANG	108335584	N.COREANA	LUANDA	03.12.2019	14:47	DUBAI	EK794 1762415027208-1
58	KYE RYONG	JONG	108335586	N.COREANA	LUANDA	03.12.2019	14:54	DUBAI	EK794 1762415027229-1
59	HONG RAN	SIN	108335879	N.COREANA	LUANDA	03.12.2019	14:55	DUBAI	EK0308 1762415027234-2
60	KYONG AE	HAN	927433862	N.COREANA	LUANDA	03.12.2019	15:02	DUBAI	EK0308 1762415027221-2
61	HUI CHOL	KIM	927433863	N.COREANA	LUANDA	03.12.2019	15:03	DUBAI	K794 1762415027223-1
62	RAK JU	PAK	745334227	N.COREANA	LUANDA	03.12.2019	15:05	DUBAI	04:45
63	YONG SIL	PAK	745436813	N.COREANA	LUANDA	03.12.2019	15:07	DUBAI	EK794 1762415027231-1
64	SONG HWAN	JO	108335580	N.COREANA	LUANDA	03.12.2019	15:11	DUBAI	EK794 1762415027228-1
65	SUN AE	RI	654434404	N.COREANA	LUANDA	03.12.2019	15:12	DUBAI	EK794 1762415027233-1
66	YONG SUK	RI	108335868	N.COREANA	LUANDA	03.12.2019	15:12	DUBAI	
67	WON JUN	PYON	108335723	N.COREANA	LUANDA	03.12.2019	15:14	DUBAI	EK308
68	JONG HWA	KIM	108335864	N.COREANA	LUANDA	03.12.2019	15:20	DUBAI	EK794 1762415027224-1
69	MYONG NAM	HONG	927134041	N.COREANA	LUANDA	03.12.2019	15:21	DUBAI	EK794 1762415027222-1
70	SUK HUI	CHOE	108335862	N.COREANA	LUANDA	03.12.2019	15:21	DUBAI	EK794 1762415027220-1
71	SANG IL	RI	927134039	N.COREANA	LUANDA	03.12.2019	15:22	DUBAI	EK794 1762415027226-1
72	YONG NAM	KIM	836130060	N.COREANA	LUANDA	08.12.2019	15:10		
73	JONG HO	KIM	927231186	N.COREANA	LUANDA	08.12.2019	15:10	DUBAI/BEIJING	EK0308 17624119876132
74	HYE SUN	JU	927339400	N.COREANA	LUANDA	08.12.2019	15:10		
75	SON OK	KIM	836131966	N.COREANA	LUANDA	08.12.2019	15:12		
76	SUN HUI	AN	165900032	N.COREANA	LUANDA	08.12.2019	15:12		
77	IN SUN	O	927334851	N.COREANA	LUANDA	08.12.2019	15:15		
78	SONG OK	KIM	745336371	N.COREANA	LUANDA	08.12.2019	15:15		
79	JONG GIL	HAN	927134580	N.COREANA	LUANDA	08.12.2019	15:19		
80	JONG HO	JANG	108232006	N.COREANA	LUANDA	08.12.2019	15:19		
81	SONG HUI	KIM	745431150	N.COREANA	LUANDA	08.12.2019	15:20		
82	KYONG HUI	MUN	927339390	N.COREANA	LUANDA	08.12.2019	15:21		
83	SONG HAK	RI	927231184	N.COREANA	LUANDA	08.12.2019	15:22		

84	HYON SU	KIM	745436836	N.COREANA	LUANDA	28.11.2019	18:05	DUBAI/BEIJING	22:30
85	MYONG SOK	HAN	927134054	N.COREANA	LUANDA	08.12.2019	15:23		
86	HYE SUN	PAK	836130610	N.COREANA	LUANDA	08.12.2019	15:25	DUBAI/BEIJING	22:30
87	MYONG SUK	SON	108232026	N.COREANA	LUANDA	08.12.2019	15:26		
88	CHANG SUK	HO	165900029	N.COREANA	LUANDA	08.12.2019	15:27		
89	YONG HO	MUN	927134040	N.COREANA	LUANDA	08.12.2019	15:29		
90	JONG HUN	PAK	9273337042	N.COREANA	LUANDA	15.12.2019	09:55		
91	SUB OK	YUN	8362377332	N.COREANA	LUANDA	15.12.2019	09:56		
92	KWANG HO	HAN	8362388961	N.COREANA	LUANDA	15.12.2019	09:56		
93	TONG CHOL	HYON	8362382567	N.COREANA	LUANDA	15.12.2019	09:58		
94	TOK MAN	KIM	9273337019	N.COREANA	LUANDA	15.12.2019	10:00		
95	HYON SU	PAK	927433717	N.COREANA	LUANDA	16.12.2019	15:20	DUBAI/BEIJING	22:30
96	SONG HI	RIM	927339392	N.COREANA	LUANDA	16.12.2019	15:20	DUBAI/BEIJING	22:30
97	HONG RYOL	CHOE	927234015	N.COREANA	LUANDA	16.12.2019	15:22	DUBAI/BEIJING	22:30
98	HO IL	RI	927231182	N.COREANA	LUANDA	16.12.2019	15:22		
99	HYE JONG	KIM	108334775	N.COREANA	LUANDA	16.12.2019	15:24	DUBAI/BEIJING	22:30
100	KYONG IL	YUN	927231181	N.COREANA	LUANDA	16.12.2019	15:25	DUBAI/BEIJING	22:30
101	TONG HUN	PAK	927134517	N.COREANA	LUANDA	16.12.2019	15:25	DUBAI	04:45
102	CHUN HWA	PAK	108335859	N.COREANA	LUANDA	16.12.2019	15:28		
104	TONG SU	AN	836238249	N.COREANA	LUANDA	16.12.2019	15:31	DUBAI/BEIJING	22:30
105	KWANG SU	PAK	108232016	N.COREANA	LUANDA	16.12.2019	15:35	DUBAI/BEIJING	22:30
106	YONG SUK	CHA	108232027	N.COREANA	LUANDA	16.12.2019	15:35	DUBAI/BEIJING	22:30
107	KI HONG	RA	745431677	N.COREANA	LUANDA	16.12.2019	15:43	DUBAI/BEIJING	22:30
108	OK GUM	KIM	836131965	N.COREANA	LUANDA	16.12.2019	15:43	DUBAI/BEIJING	22:30
109	SONG GUK	CHOE	927134042	N.COREANA	LUANDA	17.12.2019	15:05	DUBAI	04:45
110	SONG CHAN	KIM	108232010	N.COREANA	LUANDA	17.12.2019	15:05	DUBAI	04:45
111	CHONG DOK	HA	836238871	N.COREANA	LUANDA	19.12.2019	11:25	ADDIS ABABA	
112	IN GYU	KANG	927134052	N.COREANA	LUANDA	19.12.2019	12:46	ADDIS ABABA	
113	HYE YONG	SON	836135809	N.COREANA	LUANDA	19.12.2019	12:48	ADDIS ABABA	
114	CHOL	IM	836238901	N.COREANA	LUANDA	19.12.2019	12:50	ADDIS ABABA/BEIJING	17:20
115	HO SONG	KIM	836238251	N.COREANA	LUANDA	19.12.2019	12:51	ADDIS ABABA	

116	KUN YE	KIM	745434597	N.COREANA	LUANDA	19.12.2019	12:51	ADDIS ABABA/BEIJING	17:20
117	UN CHOL	KIM	745334179	N.COREANA	LUANDA	19.12.2019	12:53	DUBAI/BEIJING	22:30
118	IL SUNG	PAK	745130600	N.COREANA	LUANDA	19.12.2019	12:54	ADDIS ABABA/BEIJING	17:20
119	KYUN YO	JANG	836135810	N.COREANA	LUANDA	19.12.2019	12:55	ADDIS ABABA	
120	THAE YONG	AN	836135811	N.COREANA	LUANDA	19.12.2019	12:56	ADDIS ABABA	
121	KYONG HUN	RO	836238252	N.COREANA	LUANDA	19.12.2019	12:56		
122	SUN CHOL	HYON	745334246	N.COREANA	LUANDA	19.12.2019	12:57	ADDIS ABABA	
123	KYONG CHOL	KIM	836238904	N.COREANA	LUANDA	19.12.2019	13:00	ADDIS ABABA	
124	YONG NAM	SONG	836238910	N.COREANA	LUANDA	19.12.2019	13:01	ADDIS ABABA	
125	HUI OK	KIM	836131962	N.COREANA	LUANDA	19.12.2019	13:04	ADDIS ABABA	
126	IL NAM	KIM	745335690	N.COREANA	LUANDA	19.12.2019	13:04	ADDIS ABABA	
127	IL NAM	HONG	836238519	N.COREANA	LUANDA	19.12.2019	13:05	ADDIS ABABA	
128	PONG HUI	HAM	836434648	N.COREANA	LUANDA	19.12.2019	13:05	ADDIS ABABA	
129	SONG HUI	HONG	836434644	N.COREANA	LUANDA	19.12.2019	13:27	ADDIS ABABA/BEIJING	17:20
130	HYOK CHOL	SON	836238514	N.COREANA	LUANDA	19.12.2019	13:28	ADDIS ABABA	
131	THAE WON	CHOE	927134050	N.COREANA	LUANDA	19.12.2019	13:28	ADDIS ABABA	
132	JONG SIL	WI	836131088	N.COREANA	LUANDA	19.12.2019	13:29	ADDIS ABABA	
133	CHUN WOL	KIM	836130609	N.COREANA	LUANDA	19.12.2019	13:29	ADDIS ABABA	
134	PYONG JUN	YUN	836238255	N.COREANA	LUANDA	19.12.2019	13:30	ADDIS ABABA	
135	YONG GUK	JO	836237968	N.COREANA	LUANDA	19.12.2019	13:31	ADDIS ABABA	
136	KUM SIL	JANG	836434645	N.COREANA	LUANDA	19.12.2019	13:31	ADDIS ABABA	
137	KWANG CHOL	RI	108439317	N.COREANA	LUANDA	19.12.2019	13:33	ADDIS ABABA	
138	SANG CHOL	KIM	836238895	N.COREANA	LUANDA	19.12.2019	13:33	ADDIS ABABA	
139	SU GYONG	SON	108439318	N.COREANA	LUANDA	19.12.2019	13:38	ADDIS ABABA	
140	HYOK CHOL	KIM	927435733	N.COREANA	LUANDA	22.12.2019	15:48	DUBAI/BEIJING	22:30
141	CHANG HO	KIM	108330109	N.COREANA	LUANDA	22.12.2019	15:49	DUBAI	04:45
142	MIN CHOL	KIM	927134581	N.COREANA	LUANDA	22.12.2019	16:22		
143	SONG CHOL	PAK	109110062	N.COREANA	LUANDA	15.12.2019	07:45	DUBAI/BEIJING	22:30
144	YONG SUK	CHOE	745436817	N.COREANA	LUANDA	24.12.2019	15:04	DUBAI/BEIJING	22:30

145	HYE RIM	SUNG	745436811	N.COREANA	LUANDA	24.12.2019	15:04	DUBAI/BEIJING	22:30
146	UN OK	CHOE	927339401	N.COREANA	LUANDA	24.11.2019	15:05	DUBAI/BEIJING	22:30
147	MYONG CHOL	KIM	745334214	N.COREANA	LUANDA	24.11.2019	15:10	DUBAI/BEIJING	22:30
148	JONG SUK	PAK	836130607	N.COREANA	LUANDA	24.11.2019	15:11	DUBAI/BEIJING	22:30
149	YONG BOK	YUN	927231185	N.COREANA	LUANDA	24.11.2019	15:11	DUBAI/BEIJING	22:30
150	CHOL YONG	KANG	745334228	N.COREANA	LUANDA	24.11.2019	15:16	DUBAI/BEIJING	22:30
151	CHANG SIK	JONG	927134044	N.COREANA	LUANDA	24.11.2019	15:16	DUBAI/BEIJING	22:30
152	JONG HYANG	RYU	745436842	N.COREANA	LUANDA	26.11.2019	15:22	DUBAI	04:45
153	SONG JIN	RI	108439321	N.COREANA	LUANDA	26.11.2019	15:24	DUBAI	04:45
154	YUN GYONG	JANG	9274336536	N.COREANA	LUANDA	26.11.2019	18:05	DUBAI	EK794
155	JONG SU	KYE	9274336525	N.COREANA	LUANDA	26.11.2019	18:05	DUBAI	04:45
156	MYONG HUI	RI	1082320240	N.COREANA	LUANDA	26.11.2019	18:05	DUBAI	EK794 1762411987647-1
157	HYE YONG	O	7454311713	N.COREANA	LUANDA	26.11.2019	18:05	DUBAI	04:45
158	IN YONG	PAK	6544344114	N.COREANA	LUANDA	26.11.2019	18:05	DUBAI	04:45
159	KUM BOK	HAN	7454368201	N.COREANA	LUANDA	26.11.2019	18:05	DUBAI	04:45
160	JON GHO	RIM	745334192	N.COREANA	LUANDA	26.11.2019	16:36	DUBAI	04:45
161	HYON SU	KIM	745334232	N.COREANA	LUANDA	28.11.2019	15:28	DUBAI	04:45
162	SUNG HAK	HONG	745436814	N.COREANA	LUANDA	28.11.2019	18:05	DUBAI/BEIJING	22:30
163	SUNG RYONG	PAEK	9271345160	N.COREANA	LUANDA	28.11.2019	18:05	DUBAI/BEIJING	22:30
164	SU SON	RI	7451306200	N.COREANA	LUANDA	28.11.2019	15:34	DUBAI	04:45
165	YONG NAM	KIM	745130605	N.COREANA	LUANDA	28.11.2019	15:49	DUBAI	04:45
166	YONG RIM	KIM	7453342314	N.COREANA	LUANDA	28.11.2019	15:52	DUBAI	04:45
167	SON YONG	KANG	7454368094	N.COREANA	LUANDA	28.11.2019	15:53	DUBAI	04:45
168	SON YONG	RI	7454346009	N.COREANA	LUANDA	28.11.2019	15:55	DUBAI/BEIJING	22:30
169	HYE SUK	YANG	927339386	N.COREANA	LUANDA	28.11.2019	15:58	DUBAI/BEIJING	22:30
170	SONG IL	MUN	7453342417	N.COREANA	LUANDA	28.11.2019	15:59	DUBAI	04:45
171	SUN HUI	HYON	745436799	N.COREANA	LUANDA	28.11.2019	16:03	DUBAI	04:45
172	KWANG SU	RI	9271340383	N.COREANA	LUANDA	28.11.2019	16:07	DUBAI/BEIJING	22:30
173	JUN HO	CHOE	7453341719	N.COREANA	LUANDA	28.11.2019	16:09	DUBAI	04:45
174	MYONG HWAN	KIM	7453341971	N.COREANA	LUANDA	28.11.2019	16:32	DUBAI/BEIJING	22:30
175	KUM SON	CHOE	745431172	N.COREANA	LUANDA	29.11.2019	11:13		
176	CHOL U	RI	108232007	N.COREANA	LUANDA	29.11.2019	11:14	DUBAI/BEIJING	22:30

Source: The Panel

## **Annex 52: Medical workers in Province of Pichincha, Ecuador**

The Panel requested information from Ecuador concerning agreement to invite medical workers from the DPRK. The Government of Pichincha province replied to the Panel that the exchange is based on the “International Cooperation Agreement to Strengthen Relations between the Korean Institute of International Cultural Relations of the Democratic People's Republic of Korea, the Decentralized Autonomous Government of the Province of Pichincha, and the Board of Trustees of Pichincha” originally agreed in 2012.

In May 2018, the delegation of three DPRK acupuncturists and three translators arrived at Ecuador to provide their services in a public company, Misión Pichincha in Pichincha province. Their mission was supposed to end in May 2020, and as of April 2020 no renewal was planned. Pichincha province emphasized that it was unaware of the obligation to repatriate DPRK nationals earning income overseas as it was not notified by the Ecuadorian Government.

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**Annex 53: DPRK medical workers in Mozambique**

Mozambique replied to the Panel that a DPRK doctor, Dr. Jong Il Son, assigned to the Pemba Provincial Hospital for medical cooperation, used his residence in Pemba, Cabo Delgado Province, as a private clinic without government authorization. His residence was leased by Mozambique government, and equipment was misappropriated from the provincial hospital. The government ordered the closure of the clinic and preventive suspension of the doctor, followed by immediate termination of his employment contract and repatriation.

According to Mozambique, as of March 2020, 97 DPRK doctors worked in Mozambique, based on bilateral medical cooperation. Although medical exchange is not prohibited by the relevant resolutions, Mozambique decided cancellation of exchange and is planning to reduce the number of DPRK doctors by not renewing contracts. The Panel obtained the contract information for 89 doctors and noted that these contracts will be terminated in 2020 or 2021.

Mozambique further replied to the Panel “The Government understands that it is not viable to immediately terminate contracts in order to avoid the discontinuation of medical assistance in remote areas, however, internal diligences are taking place with a view to identifying potential partners who may provide support in replacing the doctors.”

**Annex 54: DPRK visa numbers published by the Russian Federation in April 2020**

Invitations issued	Visas issued	MIGRATION REGISTRATION									
		The number of facts of registration with the migration register of Ig and LBG	including:								
			at the place of residence	at the place of stay	including:						
					primary	of which by purpose of entry:					
						tourism	study	job	private	other	
1,738	1,596	9,377	10	9,367	6,956	3,067	1,975	753	403	758	

Source: Website of the Ministry of Internal Affairs of the Russian Federation <<https://xn--b1aew.xn--p1ai/Deljatelnost/statistics/migracionnaya/item/20020743/>>. (accessed on 24 April 2020)

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**Annex 55: Reply from the Russian Federation concerning the number of the DPRK nationals in the Russian Federation**

*Translated from Russian*

As a result of the checks carried out by the Ministry of Internal Affairs, it has been established that the validity period of the work permits, invitations and work visas previously issued to citizens of the Democratic People's Republic of Korea did not extend beyond 22 December 2019. No invitations to perform work, work visas or work permits have been processed for citizens of the Democratic People's Republic of Korea in 2020.

The information on the official website of the Ministry of Internal Affairs concerning 753 instances of citizens of the Democratic People's Republic of Korea being included in the migration register for their place of residence, with "work" indicated as the purpose of entry into the country, was posted owing to errors in departmental statistical reporting by the Ministry's local agencies. Specifically, the data concerning citizenship and purpose of entry were incorrectly stated. The necessary corrections have been made to the statistical data on the Ministry's official website, which now shows that no one entered Russia from the Democratic People's Republic of Korea in the first quarter of 2020 for the purpose of "work".

The checks also revealed that the 511 North Korean migrant workers who were unable to return to their home country after 22 December 2019 owing to restrictions related to the coronavirus pandemic also included persons who had entered the country on business visas, with the purpose of their visit indicated as "crew member" or "maintenance", whose activities are not covered by Security Council resolutions [2375 \(2017\)](#) and [2397 \(2017\)](#).

In fact, only 160 nationals of the Democratic People's Republic of Korea had work permits valid up to 22 December 2019 (they are now present in the territory of the Russian Federation without valid work visas, work permits or appropriate employment contracts). Their repatriation continues to be blocked by the restrictions imposed by Pyongyang on transport links with other countries on account of the coronavirus pandemic.

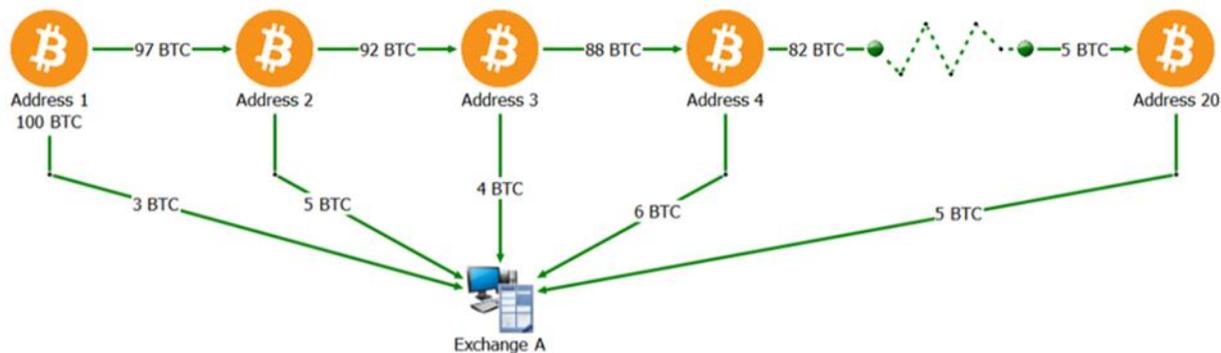
## Annex 56: Laundering virtual currency into a fiat currency

According to recent U.S. legal proceedings,<sup>34</sup> the Democratic People’s Republic of Korea relied on over-the-counter brokering services to convert more than USD 200 million worth of cryptocurrencies stolen in 2017, 2018, and 2019,<sup>35</sup> to fiat currency. The U.S. indictment alleges that two Chinese nationals employed several obfuscation techniques to facilitate the conversion, ultimately depositing the proceeds into nine financial institutions.<sup>36</sup>

The laundering process involved transferring cryptocurrency from the hack to accounts held at four cryptocurrency exchange houses.<sup>37</sup> This entailed thousands of smaller transactions, known as a “peel chain”, whereby unspent value (i.e., the remainder or “change” from a transaction) is transferred to a separate address. This process continues until there is no remaining unspent value, ultimately resulting in thousands of separate transactions (see figure 1). Consequently, “peel chains” can make tracking cryptocurrency payments through its blockchain difficult.

Information contained in the indictment shows that fraudulent identification was used to thwart identity verification procedures at some of the exchange houses and that other exchange houses were targeted specifically for their lack of know-your-customer requirements.

Figure 1. Example of a “peel chain”



Source: The Panel

<sup>34</sup> See, <https://www.justice.gov/opa/press-release/file/1253486/download>

<sup>35</sup> See paragraphs 62-63 of S/2019/691

<sup>36</sup> The US indictment is an allegation and parties are presumed innocent until proven guilty. In response to the allegations, one party to the indictment claimed to not be aware that the cryptocurrency was from the DPRK theft (see, <https://www.chaindd.com/3284691.html>)

<sup>37</sup> The laundered cryptocurrencies include Bitcoin, Zcash, Dogecoin, Ripple, Litecoin, Ethereum, and Ethereum Classic.

## Annex 57: Korea Narae Trading Corporation

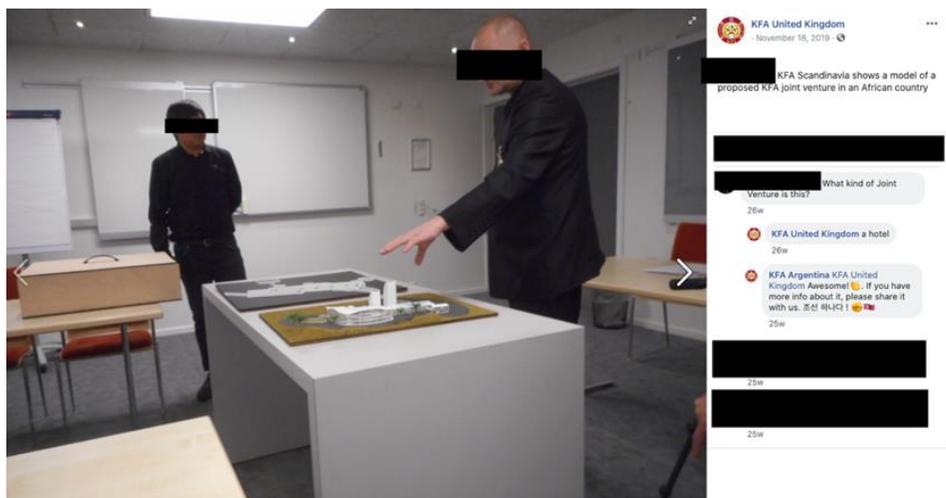
The Korea Narae Trading Corporation is a Pyongyang-based entity that facilitates the “the acquisition of equipment and technology in various sectors, such as mining and hydrocarbons, in exchange for offering technical labour or work in the field (farming workers), as well as the export of North Korean food products and rare earths, among other products,” according to a Member State. The Member State also reported to the Panel that Alejandro Cao de Benos, a Spanish national, is KNTC’s official representative and “carries out activities as an intermediary between KNTC and foreign companies.” The following individuals are believed to be KNTC corporate officers:

- Kim Chol-rong, President
- Pak Chol-ho, Vice President
- Pae Chong-song, Marketing Manager
- Kang Hyon-gyu, Foreign Investment and Public Relations Manager
- Li Jong, Legal Manager
- Ri Kang, Associate
- Kang Son-gun, Associate

Per open source reporting, Mr. de Benos is also the President of the Korea Friendship Association (KFA)<sup>38</sup> and is believed to have organized the 2019 cryptocurrency conference held in Pyongyang (see S/2020/151, para. 180) on behalf of KFA.<sup>39</sup>

A second Member State reported that in 2019, KNTC— along with other members of the Korea Friendship Association— attempted to form a tourism-related joint venture or cooperative entity in Uganda (see figure 1). This effort was reportedly led by DPRK national Ri Kang, according to the same Member State. Uganda responded that it did not find any information.

Figure 1. Members of Korea Friendship Association proposing a joint venture



Source: The Panel

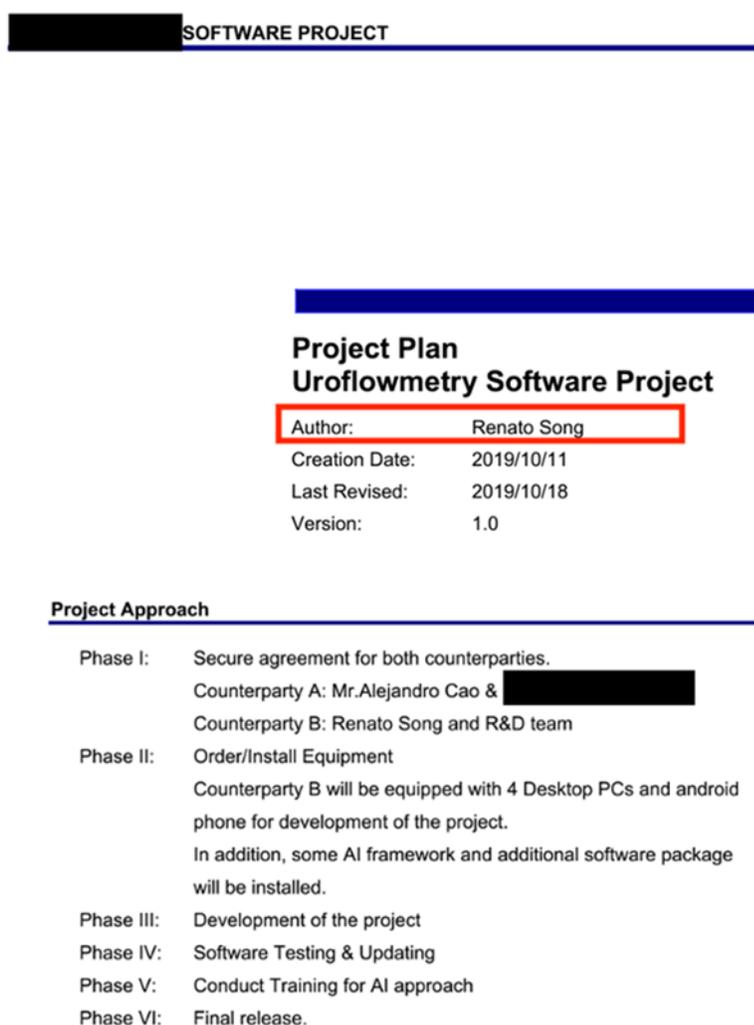
<sup>38</sup> According to Korea Friendship Association’s website, the organization “...was founded on November of the year 2000 with the purpose of building international ties with the Democratic People’s Republic of Korea. It has members from 120 countries. The KFA has full recognition from the Government of the Democratic People’s Republic of Korea and is the world-wide leading organization of its supporters. It has offices in DPR Korea, Spain.” <https://www.korea-dpr.com/kfa.html>.

<sup>39</sup> According to one Member State, Mr. de Benos recommended obfuscation techniques for individuals planning to attend the conference. The Panel confirmed this assessment through an interview conducted with an individual who attended the April 2019 cryptocurrency conference in Pyongyang. See also, <https://www.bloomberg.com/news/features/2020-05-01/wanna-do-business-in-pyongyang-call-north-korea-s-guy-in-spain>.

Sometime in October 2019, an Italian national (ITA-1) who attended the 2019 cryptocurrency conference in Pyongyang, entered into a contractual agreement with KNTC, whereby KNTC agreed to develop diagnostic software for a specific medical procedure, using artificial intelligence (see figure 2) (ITA-1 was introduced to KNTC at the 2019 cryptocurrency conference). The Panel assesses, based on interviews, Member State information, and open source data, that an objective of the 2019 cryptocurrency conference was to introduce foreign attendees to trading companies for the purpose of establishing joint ventures or cooperative entities.

The contract lists ITA-1 and Mr. de Benos as “counterparty A” and “Renato Song and R&D Team” as “counterparty B.” Because Mr. de Benos is an official representative of KNTC, is jointly listed with ITA-1 on the contract, and received payments related to the agreement, the Panel assesses this to be a joint venture or cooperative entity or an attempt to form a joint venture or cooperative entity, in name or substance.<sup>40</sup> The Panel is continuing to investigate KNTC and its associates for possible sanctions-evasion activities.

Figure 2. KNTC Contract to Perform IT Services



Source: The Panel

<sup>40</sup> The Panel notes that while the development of the IT project was meant as an open source project, the project was not submitted to the 1718 Committee, per paragraph 18 of resolution [2375 \(2017\)](#).

According to the contract, the project was to proceed in three phases, with a budget of 7,000 EUR. KNTC issued two invoices dated 14 August 2019 and 29 October 2019 (figure 3 and figure 4). On or about 14 August 2019, ITA-1 remitted an initial payment of 2,100 EUR to an account held by Mr. de Benos at a Lithuanian bank. On or about 6 November 2019, ITN-1 remitted a second payment totalling 3,000 EUR, to an account held by Mr. de Benos at a German bank. For the first payment, the wire transfer noted "IT Medical Software". For the second payment, the wire transfer noted "Computer Programming." According to financial records provided by a Member State, Mr. de Benos uses these accounts in his own name, and co-mingles funds received from activities associated with the Korea Friendship Association with funds related to KNTC (see Annex F6). According to ITA-1, the remaining balance was never transferred due to KNTC's failure to complete the contract, as specified.

Figure 3. KNTC Invoice, 14 August 2019



### Proforma Invoice

Proforma Invoice No.: 3001/8-2019

Date: August 14, 2019



**Concept:**



Development of IT software for medical use.

**Amount to be paid:**

#2,100# EURO

(Representing a 30% advance payment of total agreed cost of 7,000 EURO)

Source: The Panel

Figure 4. KNTC Invoice, 29 October 2019



### Proforma Invoice

Proforma Invoice No.: 3002/10-2019

Date: October 29, 2019



**Concept:**



Development of IT software for medical use. 2<sup>nd</sup> stage.

**Amount to be paid:**

#3,000# EURO

*Source:* The Panel

According to records obtained by the Panel, Renato Song employed several DPRK overseas workers in China to support the project. These accounts used fraudulent documentation to open several accounts at various “freelance” websites. The Panel is continuing to investigate overseas workers, joint ventures and cooperative entities associated with KNTC, its members, and its affiliated partners.

**Annex 58: Reply from the Permanent Mission of the People's Republic of China to the UN (excerpt)****1. Trade statistics****(2) OC. 72**

Firstly, China has always been strictly implementing sectoral provisions of the Security Council resolutions. The Security Council prohibited importing iron and iron ore from the DPRK. China did not import these prohibited items from the DPRK in the time frame of October to December of 2019 and March of 2020, which is mentioned in the letter. Import of iron or steel articles (HS code 73) is not prohibited. Ferro-silicon is not a prohibited item either, and importing and re-exporting ferro-silicon does not violate Security Council resolutions. The Security Council prohibited importing textiles from the DPRK. China imported a batch of commodities under the HS code 5302 in October 2019. They are raw materials, not textiles prohibited by the Security Council resolutions. We hope that the Panel has an accurate understanding of the resolutions, especially the prohibition categories, and does not arbitrarily expand the scope.

Secondly, China attaches great importance to humanitarian assistance to the DPRK, and the Chinese Customs has taken active measures to provide maximum assistance for customs clearance of relevant humanitarian goods. The steel, copper and other metals exported to the DPRK between October and December 2019, and the industrial machinery exported to the DPRK between January and March 2020, were all humanitarian goods exempted by the 1718 Committee and diplomatic goods ordered by foreign missions in the DPRK. Among them, 5 batches of goods were from the UNICEF, 3 batches of goods were from the ICRC, 8 batches of goods were from different NGOs, and 12 batches of goods were ordered by diplomatic missions in the DPRK.

China hopes that the Panel carefully checks relevant data based on the humanitarian exemptions published on the 1718 Committee website. The Security Council resolutions do not ask for inspections on humanitarian goods. China believes that for the humanitarian goods which have been exempted by the 1718 Committee, no additional inspection measures are needed.

### **3. Finance**

#### **(1) OC. 90**

Cyber theft is not within the category of the Security Council sanctions against the DPRK, and China doesn't understand why the Panel is following this case. China notes that the two individuals have been illegally, unilaterally sanctioned by the US Treasury Department and under abusive long-arm jurisdiction. This is inconsistent with the principles of international law and the Security Council resolutions. We hope that the Panel could concentrate on its work within the mandate of the resolutions.

#### **(2) OC.90**

The financial institutions are always sensitive to risks. All financial institutions in China have a legal compliance office, whose job is to ensure the institutions' compliance with the Security Council resolutions. On this case, the Panel neither elaborated the relationship between generating income for the DPRK and implementation of the Security Council resolutions, nor provided solid evidence on the connection between Liyou Ding and designated entities and individuals. We do not understand the necessity, rationality and legitimacy of the Panel's asking for the Chinese side to provide related information. To conduct investigation and provide information without reliable evidence is not only a waste of administrative resources, but also an infringement of citizen's privacy. We hope that the Panel will provide additional solid evidence as soon as possible.

### **4. Workers (OC. 71)**

China has faithfully implemented the provision of Security Council's resolution on repatriating all DPRK nationals earning income abroad. All DPRK nationals' employment contracts in China had expired by 22 December 2019. China has also submitted reports on the implementation of paragraph 8 of UNSC resolution 2397. China is still investigating the case of DPRK workers in Yanbian Silver Star Network Science and Technology Co. Ltd.

### **5. Dalian Myonghae (OC. 92)**

Beer is a common beverage, not a luxury good subject to the UNSC's embargo. Certain country regards beer as a luxury good based on its national policy. However, this should not serve as the basis for the Panel's work. Based on what the Panel has provided, China has not found any suspected violation of UNSC resolutions.

*Source:* Member State

## **Annex 59: Recent statements by UN officials related to COVID-19 and sanctions**

### **Media Statement by the UN Special Rapporteur on the situation of human rights in the Democratic People's Republic of Korea (extracts by the Panel)**

GENEVA/SEOUL (9 June 2020) - The UN Special Rapporteur on the situation of human rights in the Democratic People's Republic of Korea (DPRK) recommends several concrete actions to the Government of DPRK and the international community in order to protect human rights of people in the DPRK amid efforts to contain COVID-19.

#### **HEALTH**

On 21 January 2020, the Government of the Democratic People's Republic of Korea suspended all travel in and out of the country, imposed travel restriction between cities and regions and introduced strict quarantine measures. Together with extensive public health information campaigns, focusing on the Government's prevention efforts, these measures aimed to protect North Koreans from COVID-19. However, further information about quarantined people, treatment of patients with possible symptoms and protection of vulnerable groups has not been accessible. Of special concern is the limited capacity of hospitals. The obstacles facing international humanitarian actors in the country also risks negatively impacting the right to access to health care.

"I welcome efforts made by the Government of the DPRK and encourage it to comply with the COVID-19 Guidance issued by the UN High Commissioner for Human Rights, which calls for solidarity and cooperation to tackle the virus, and to mitigate the effects of measures designed to halt its spread. This pandemic concerns the whole world, and no single country can avoid its consequences", the Special Rapporteur said.

In addition, he recommended the Government of the DPRK (i) to further seek international assistance for testing and make public and transparent disaggregated data related to the pandemic, at a minimum by sex, age, and disability, necessary to inform health responses and identify those most at risk of being left behind; (ii) to respect the freedom to seek and receive information and contents through any media and regardless of frontiers, especially by allowing the use of electronic communication needed during lockdowns, quarantines or other special measures. People have a right to access to full and unbiased news that directly affect their lives; and (iii) within the containment measures against COVID-19, to facilitate access to the country by international organizations providing humanitarian assistance.

#### **FOOD INSECURITY**

The Special Rapporteur expressed concern that the impact of COVID-19 measures on the economy, is causing further difficulties for people who are already in vulnerable situations. DPRK's trade with China in March and April declined by over 90 per cent following the border shutdown. Hence, many people in the border areas in the North have lost their income from commercial activities. The situation in inland could be worse. There have been reports of an increase of homeless people, including *kotjebi* (street children), in large cities. In some places, the price of medicines has reportedly skyrocketed.

Over 40 per cent of people were already food insecure prior to the COVID-19 pandemic, many of them suffering malnutrition and stunted growth. Only one third of children aged 6 to 23 months received the minimum acceptable diet, and pregnant and lactating women were particularly affected by malnutrition. The Food and Agriculture Organization has designated the DPRK as a country facing food shortages. Those who have lost their income do not have money to buy food in the market. The public distribution system continues to be dysfunctional. It was reported that an increasing number of families eat only twice a day, or eat only corn, and there are reports that some are starving. Soldiers reportedly also suffer from food shortages.

"Under the pervasive discrimination in the public distribution system, ordinary citizens, including farmers, do not receive rations. Lack of food had a devastating impact in DPRK in the 1990s, and prospects of a further deepening of food shortages and widespread food insecurity is alarming. The Government must take swift action on this matter by prioritizing allocations of financial resources and allowing the humanitarian aid to be delivered on the ground

without restrictions”, stressed the Special Rapporteur, recognizing the fundamental right of everyone to be free from hunger.

## **PRISONERS**

Prisoners in the DPRK receive very little and poor quality food, and malnutrition is common in prisons. In many cases, prisoners depend on food brought by their families. Access to safe water is limited, sanitation facilities are inadequate, and health services barely exist. While COVID-19 cases have not been reported in the country, the potential impact of any future outbreak is a serious concern.

“The Government should follow the guidelines in the UN Joint Statement on COVID-19 in prisons and other closed settings, and abide with the Standard Minimum Rules for the Treatment of Prisoners (the Nelson Mandela Rules)” underscored the Special Rapporteur. “In particular, the secrecy surrounding the political prison camps (*kwanliso*) remains of the utmost concern. Accounts refer to frequent deaths of prisoners due to hard work, lack of food, contagious diseases and overcrowding. The Government of the DPRK must provide information about these prisoners and allow independent monitoring. Their status amounts to enforced disappearance of persons.”

The Special Rapporteur called once again for the consideration of release of prisoners in particular those in vulnerable conditions: older, ill and undernourished persons, persons with disabilities, children, pregnant and lactating mothers and nursing parents. In addition, alternatives to detention should be implemented to mitigate the risk of harm within places of detention, including for persons who have committed minor, petty and non-violent offenses or those with imminent release dates. “Other countries have also released prisoners to prevent COVID-19; North Korea should follow suit” he remarked.

## **REUNION OF SEPARATED FAMILIES**

The Special Rapporteur urged the Government of the DPRK to promptly resume engagement with the Republic of Korea on the reunion of separated families. Despite commitments made, no reunion event has taken place since August 2018, and aged family members cannot wait any longer.

“COVID-19 is not an excuse to neglect contacts between the families. Even before the pandemic, the technology was conveniently installed for video communications. For aged family members this could be the last opportunity to have a much needed exchange with relatives”, said the Special Rapporteur. “Humanitarian grounds, but also human rights of families realized in article 10 of the International Covenant on Economic, Social and Cultural Rights, should brush away any pretended political obstacles that have frustrated reunions”, he further emphasized.

## **HUMANITARIAN AID AND IMPACT OF SANCTIONS**

Humanitarian actors in the country, including the UN Country Team, are facing difficulties in their operations due to suspended access outside of Pyongyang, lack of information, stranded humanitarian assistance items including vaccination stocks on the border, and shortages of staff members in the country.

The Government should provide unhindered access to humanitarian actors who are already in Pyongyang as well as those who are willing to come and assist. The UN Sanctions Committee has accelerated the exemption process for COVID-19 related humanitarian assistance, but such assistance continues to be subject to sanctions.

The COVID-19 crisis once again brings to the Special Rapporteur’s attention the economic hardships facing people in the DPRK, and the detrimental impact of sanctions on the fulfilment of basic economic and social rights. The international community should no longer overlook how the impact of sanctions on energy is affecting agricultural production by affecting transportation, machinery, and production of fertilizers. The way some sectorial exports bans are leading to unemployment in the textile, mining and seafood industries must also be considered. The lack of income for individuals affected undermines the fulfilment of the right to food and other rights.

“In a context where the COVID-19 is bringing drastic economic hardship worldwide, any sanctions imposed by the UN Security Council that impact on the livelihood of people and hinder the Government’s capacity to respond to

COVID-19 should be sincerely reconsidered”, the Special Rapporteur stated, echoing calls made by the Secretary General and the High Commissioner for Human Rights. “The international community, in particular some permanent members of the Security Council, should no longer rest on the paradox of sanctioning inputs needed to increase food production, while then offering food relief. Any gains from lifting of sanctions should be channeled towards the most vulnerable, including by strengthening the right to food and to health”, he closed.

## COOPERATION AND PEACE

While the Government’s prompt and decisive measures in responding to COVID-19 may have helped to contain the outbreak in the country, the Government should not further isolate itself from the international community. On the contrary, the DPRK should embrace international cooperation and solidarity to combat the pandemic, and participate without hesitation in the health response, and in all relevant issues, including human rights.

“This spirit of unity and cooperation emerging worldwide to address the COVID-19 challenges, should also inspire stakeholders to search for a peaceful end to the conflict on the Korean Peninsula, born during a war which this year will mark the 70th anniversary”, stated the Special Rapporteur. “Such an initiative to search for peaceful end of the war will generate the atmosphere and space needed to further discuss denuclearization, less isolation, more access, and human rights improvements”, he concluded.

Source: <https://www.ohchr.org/EN/NewsEvents/Pages/DisplayNews.aspx?NewsID=25929&LangID=E>

## Secretary-General Urges G20 Countries to Suppress COVID-19 Transmission, Keep Households Afloat, amid Pandemic’s ‘Human Crisis’

26 March 2020

Following are UN Secretary-General António Guterres’ remarks to the Group of 20 (G20) virtual summit on the COVID-19 pandemic, in New York today:

Thank you, Your Majesty, for convening this meeting. We are at war with a virus — and not winning it. It took the world three months to reach 100,000 confirmed cases of infection. The next 100,000 happened in just 12 days. The third took four days. The fourth, just one and a half. This is exponential growth and only the tip of the iceberg.

This war needs a war-time plan to fight it. Solidarity is essential, among the G20 and with the developing world — including countries in conflict. That is why I appealed for a global ceasefire.

Allow me to highlight three critical areas for concerted G20 action. First, to suppress the transmission of COVID-19 as quickly as possible. That must be our common strategy. It requires a coordinated G20 response mechanism guided by the World Health Organization (WHO).

All countries must be able to combine systematic testing, tracing, quarantining and treatment with restrictions on movement and contact — aiming to suppress transmission of the virus. And they have to coordinate the exit strategy to keep it suppressed until a vaccine becomes available.

At the same time, we need massive support to increase the response capacity of developing countries. The United Nations system has a well-established supply-chain network, and we stand ready to place it at your disposal.

Second, we must work together to minimize the social and economic impact. The G20 came of age in the 2008 financial crisis. The challenges before us dwarf those of 2008. And what we face today is not a banking crisis, it is a human crisis.

While the liquidity of the financial system must be assured, our emphasis must be on the human dimension. We need to concentrate on people, keeping households afloat and businesses solvent, able to protect jobs.

This will require a global response reaching double-digit percentages of the global economy. I welcome infusions of liquidity and social and economic support in developed countries — with direct transfer of resources to people and businesses. But, a stimulus package to help developing countries with the same objectives also requires a massive investment.

For this, we need greater resources for the International Monetary Fund (IMF) and other international financial institutions, a meaningful emission of special drawing rights, coordinated swaps between central banks and steps to alleviate debt, such as a waiver of interest payments.

I also appeal for the waiving of sanctions that can undermine countries' capacity to respond to the pandemic.

Third, we must work together now to set the stage for a recovery that builds a more sustainable, inclusive and equitable economy, guided by our shared promise — the 2030 Agenda for Sustainable Development.

Let us do what it takes, urgently and together.

Source: <https://www.un.org/press/en/2020/sgsm20024.doc.htm>

### **UN High Commissioner for Human Rights statement: Bachelet calls for easing of sanctions to enable medical systems to fight COVID-19 and limit global contagion**

GENEVA (24 March 2020) – Broad sectoral sanctions should urgently be re-evaluated in countries facing the coronavirus pandemic, in light of their potentially debilitating impact on the health sector and human rights, UN High Commissioner for Human Rights Michelle Bachelet said Tuesday.

"It is vital to avoid the collapse of any country's medical system – given the explosive impact that will have on death, suffering and wider contagion," Bachelet said. "At this crucial time, both for global public health reasons, and to support the rights and lives of millions of people in these countries, sectoral sanctions should be eased or suspended. In a context of global pandemic, impeding medical efforts in one country heightens the risk for all of us."

"Humanitarian exemptions to sanctions measures should be given broad and practical effect, with prompt, flexible authorization for essential medical equipment and supplies," Bachelet said.

For example, in Iran, where at least 1,800 people have died from COVID-19, human rights reports have repeatedly emphasized the impact of sectoral sanctions on access to essential medicines and medical equipment – including respirators and protective equipment for health-care workers.

More than 50 Iranian medics have died since the first cases of the COVID-19 coronavirus were detected five weeks ago. The epidemic in Iran is also spreading to neighbouring countries which will strain health services in countries such as Afghanistan and Pakistan.

A variety of sanctions may also impede medical efforts in Cuba, the Democratic People's Republic of Korea, Venezuela and Zimbabwe, Bachelet said. "The majority of these states have frail or weak health systems. Progress in upholding human rights is essential to improve those systems – but obstacles to the import of vital medical supplies, including over-compliance with sanctions by banks, will create long-lasting harm to vulnerable communities. The populations in these countries are in no way responsible for the policies being targeted by sanctions, and to varying degrees have already been living in a precarious situation for prolonged periods."

In Venezuela, some hospitals regularly suffer water and electricity cutoffs and lack medicines, equipment, disinfectant and soap. While this situation pre-dates the imposition of sectoral sanctions, easing them could mean more resources could be allocated to treating and preventing the epidemic.

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"It is especially important to protect the health of health-workers themselves, and medical professionals should never be punished by the authorities for pointing out deficiencies in the response to the crisis," Bachelet said. "Doctors, medics and all those working in health structures are in the front line, protecting us all."

She called for world leaders to come together. "International cooperation and solidarity are essential at all times, to advance human rights; they are also vital to advancing every country's national interests at this time."

Bachelet also noted that the countries under sanctions should provide transparent information, accept offers of necessary humanitarian assistance, and prioritize the needs and rights of vulnerable people. They should also adopt measures to guarantee national and international organizations can carry out their humanitarian work unhindered.

"No country can effectively combat this epidemic on its own. We need to act with solidarity, cooperation and care," she said – echoing last week's call by UN Secretary-General Antonio Guterres for "coordinated, decisive, and innovative policy action" to counter the spread of COVID-19.

*Source:* <https://www.ohchr.org/EN/NewsEvents/Pages/DisplayNews.aspx?NewsID=25744&LangID=E>

## Annex 60: Response to COVID-19 and Humanitarian Operations

The DPRK's COVID-19-related closure of its land borders, reduction in maritime shipments, and the suspension of air travel since January 2020 contributed to a reduction of DPRK imports (in April DPRK banned "non-essential" imports) and supplies of non-sanctioned goods, while illegal channels were sealed due to strict quarantine.<sup>41</sup> Open source reports have also suggested some food shortages, price spikes, some panic buying, decreased availability of medical services, and shortages of many basic medical supplies. Member States, as well as humanitarian aid organizations have also reported reductions in on-the-ground capacity due to travel restrictions and the prohibition on foreign nationals returning to the DPRK, including humanitarian personnel.<sup>42</sup> Although humanitarian aid remains a critical lifeline for a significant portion of population,<sup>43</sup> DPRK authorities demonstrated lukewarm attitude towards receiving the aid and have rejected several offers by Member States and humanitarian organizations. This has meant that UN operations and NGOs have been prevented from carrying out humanitarian operations.<sup>44</sup>

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<sup>41</sup> See "Global Humanitarian Response Plan for COVID-19"

<https://www.unocha.org/sites/unocha/files/Global-Humanitarian-Response-Plan-COVID-19.pdf>. See also "2020 DPRK Needs and Priorities" plan Consolidated by OCHA on behalf of the Humanitarian Country Team <https://reliefweb.int/report/democratic-peoples-republic-korea/dpr-korea-needs-and-priorities-2020-issued-april-2020>

<sup>42</sup> <https://www.nknews.org/2020/06/as-expat-community-shrinks-in-north-korea-new-arrivals-are-suspended/?t=1600612929359>

<sup>43</sup> According to OCHA, there are approximately 10.4 million people in need in the DPRK (approximately 44 percent of the population). The 2020 Needs and Priorities plan targets the provision of humanitarian assistance to 5.5 million people most in need. OCHA has also assessed that approximately \$39.7 million is required to fight COVID-19 pandemics (See 2020 DPRK Needs and Priorities" plan Consolidated by OCHA on behalf of the Humanitarian Country Team <https://reliefweb.int/report/democratic-peoples-republic-korea/dpr-korea-needs-and-priorities-2020-issued-april-2020>)

<sup>44</sup> According to information provided by one Member State, travel outside of Pyongyang by embassy and humanitarian personnel has also been restricted, further hampering monitoring activities.

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## **Annex 61: COVID-19 impact on humanitarian operations with the DPRK**

In order to assess the impact of COVID-19 on humanitarian organizations operating within the DPRK, the Panel surveyed 37 organizations. These included both UN organizations as well as Non-Governmental Organizations that applied for exemption requests either directly to the 1718 Committee, or through a Member State or the UN Resident Coordinator in the DPRK. Response to the Panel's inquiry was optional and has no bearing on the exemption approval processes.

The Panel requested made the following inquiries:

1. Please provide detailed information and data on whether your organization experienced delays in shipments or reductions in operational capacity due to issues related to quarantine measures in the DPRK and/ or (please specify) implementation of UN sanctions.
2. To what extent have COVID-19 related delays impacted your humanitarian operations, including monitoring?
3. Do you anticipate further delays or reductions in operations, and if so on what grounds?
4. What is your assessment of the impact of the COVID-19 pandemic within the DPRK, and in what way has it influenced the overall humanitarian situation? Please include details of the evidence on which your assessment is based;
5. If your operations require humanitarian exemption approvals from the 1718 Committee, has the approval process met your needs? What, if anything, could be improved upon in the exemption process, or in the implementation of UN sanctions, to better meet your operational needs and objectives?

Pending further responses, the Panel will include summaries in its Final report.

## Annex 62: Consolidated list of recommendations

(Maritime)

1. The Panel reiterates its recommendation that the Committee agree upon a conversion rate between tons and barrels for refined petroleum products.<sup>45</sup>
2. The Panel reiterates its recommendation that Member States report any known transfers of refined petroleum products to the Democratic People's Republic of Korea in full conformity with resolution [2397 \(2017\)](#).

To the Committee

3. The Panel recommends the designation of the following vessel for violation of paragraph 5 of resolution [2397 \(2017\)](#):

- *New Konk* (IMO No. 9036387), formerly Sierra Leone-flagged

4. The Panel reiterates its recommendation, contained in paragraph 44 of document [S/2020/151](#), for the designation of listed vessels in violation of paragraph 5 of resolution [2397 \(2017\)](#). Other than the *Viet Tin 01* (IMO No. 8508838), which is being detained,<sup>46</sup> and the *Vifine* (also known as *Tealway FV*) (IMO No. 9045962), the following vessels listed in paragraph 44 of document [S/2020/151](#) each continued to deliver refined petroleum to the Democratic People's Republic of Korea during the observed time frame between January and May 2020, in further violation of paragraph 5 of resolution [2397 \(2017\)](#):<sup>47</sup>

- *Bonvoy 3* (IMO No. 8978784), flag unknown
- *Diamond 8* (IMO No. 9132612), Sierra Leone-flagged
- *Hokong* (IMO No. 9006758), formerly Sierra Leone-flagged
- *Kwang Chon 2* (formerly *Sen Lin 01*) (IMO No. 8910378), Democratic People's Republic of Korea-flagged
- *Sin P(h)yeong 2* (formerly *Tianyou*) (IMO No. 8817007), Democratic People's Republic of Korea-flagged
- *Subblic* (IMO No. 8126082), formerly Sierra Leone-flagged
- *Unica* (IMO No. 8514306), formerly Sierra Leone-flagged
- *Yun Hong 8* (maritime mobile service identity No. 413459380), Chinese-flagged

To Member States, on best practices with regard to the activities of the Democratic People's Republic of Korea

*On information-sharing among flag States*

5. The Panel recommends that flag registries consider joining the Registry Information-Sharing Compact, an industry initiative of Panama, the Marshall Islands and Liberia<sup>48</sup> that formalizes information-sharing to alert flag States to vessels that could pose sanctions-related concerns so as to potentially deny the vessels' applications.

<sup>45</sup> Two experts are of the view that there is no need to reiterate recommendations that are already under the Committee's agenda.

<sup>46</sup> As of December 2019.

<sup>47</sup> Two experts are of the view that there is no need to reiterate recommendations that are already under the Committee's agenda.

<sup>48</sup> RISC is also joined by St Kitts and Nevis, Comoros, Honduras, Palau and Vanuatu registries as on April 2020.

*On promoting transparency*

6. The Panel recalls its recommendation that Member States endeavour to collect identifying and contact information for each individual that owns or exerts control over the foreign entity to which each vessel belongs, and to share the information, when requested, with the Panel in order to facilitate investigations into sanctions evasion networks through the use of shell companies as registered owners.

*On automatic identification systems and long-range identification and tracking of ships*

7. The Panel recommends that Member States encourage their shipping industry to follow best practice measures already adopted by related sectors, including vessel insurance and reinsurance businesses, commodity trading companies, banks and flag registries, that investigate signs and reports of automatic identification system and/or long-range identification and tracking system transponder manipulation before entering into new contracts or when reviewing ongoing business.

8. The Panel also recommends that Member States encourage port State control, maritime and vessel traffic services authorities to promulgate and police the requirement to maintain automatic identification system broadcasts by tankers and bulk carriers arriving in and leaving their jurisdictions, consistent with the International Convention for the Safety of Life at Sea, and to consider investigating the validity of vessels suspected of tampering with their identifiers along with their activity to ensure that they are not in violation of sanctions resolutions.

*On heightening scrutiny*

9. The Panel reiterates its recommendation that Member States ensure that port and relevant authorities engage in higher scrutiny of lighters and floating cranes in view of their use in ship-to-ship transfers with Democratic People's Republic of Korea vessels, including verification of the origin and documentation of their cargo, particularly in locations that have registered the presence of Democratic People's Republic of Korea vessels.

10. The Panel recommends that any Member State receiving coal shipments for delivery or trans-shipment take enhanced measures to validate the documentation accompanying those shipments.

11. The Panel recommends that Member States remain vigilant regarding the movement of vessels trading in restricted or banned commodities, in particular in waters where illicit ship-to-ship transfers have been known to occur.

(Misuse of embassy properties)

12. The Panel recommends that Member States be alert to possible efforts by the Democratic People's Republic of Korea diplomatic missions to use their property for extracting illegal revenues.

(Luxury goods)

13. The Panel reiterates its recommendation that the Committee prepare a more detailed list of prohibited luxury goods (where possible, with specific Harmonized System commodity codes) for consideration by the Council.

14. The Panel reiterates its recommendation that Member States encourage their business entities and nationals exporting luxury goods to include a contractual provision to prevent resale to sanctioned jurisdictions.

15. The Panel reiterates its recommendation that Member States harmonize their export control lists to reflect the list of prohibited luxury goods.

16. The Panel reiterates its recommendation that Member States and relevant organizations encourage shipping and transportation companies to provide thorough systems for checking consignees, bearing in mind the risk of trans-shipment.

(Labour)

17. Member States should continue to exercise vigilance in screening all categories of visa applications by nationals of the Democratic People's Republic of Korea, and to exercise vigilance throughout the staying period, in order to prevent the circumvention of the requirement to repatriate nationals of the Democratic People's Republic of Korea earning income overseas.

18. As current legal and administrative frameworks did not enable several Member States to implement the obligations pursuant to paragraph 8 of Security Council resolution [2397 \(2017\)](#), the Panel recommends that, if considered applicable, Member States should take the necessary legal steps, including the amendment of existing legislation or the adoption of new legislation, to enable the implementation of these obligations.

19. Noting that in paragraph 8 of resolution [2397 \(2017\)](#) the Security Council required Member States to submit final reports by March 2020, the Panel reiterates its recommendation that Member States submit implementation reports pursuant to the requirement in that paragraph and encourages each Member State to include substantive information in its implementation report.

(Finance)

20. The Panel encourages Member States to implement the Financial Action Task Force standards, with special attention given to recommendation 15, that to manage and mitigate the risks emerging from virtual assets, countries should ensure that virtual asset service providers are regulated for anti-money-laundering and counter-terrorist financing purposes, and licensed or registered and subject to effective systems for monitoring and ensuring compliance with the relevant measures called for in the Financial Action Task Force recommendations.

21. The Panel continues to recommend that Member States work to address opaque corporate registration rules and regulations that may afford anonymity to entities of the Democratic People's Republic of Korea.

(Unintended impact of sanctions)

22. The Committee should continue its efforts for the prompt resumption of a stable banking channel for humanitarian activities by identifying several options for bank transfers.

23. The Panel notes the usefulness of biannual briefings by the relevant United Nations entities on the unintended impact of sanctions on the civilian population and on their operations within the Democratic People's Republic of Korea and recommends that the Committee continue this practice.

**24. The Panel recommends that the Security Council continue to address issues and processes that affect the mitigation of the unintended adverse impacts of sanctions on the civilian population of the Democratic People's Republic of Korea and on humanitarian aid operations to benefit the vulnerable population of the Democratic People's Republic of Korea and overcome the consequences of the COVID-19 pandemic.**

**25. The Committee should continue to streamline the processes and procedures for applying for exemptions under the terms of Implementation Assistance Notice No. 7, as well as updating the Implementation Assistance Notice when appropriate.**

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