



Security Council

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Note by the President of the Security Council

In paragraph 2 of resolution [2569 \(2021\)](#), the Security Council requested the Panel of Experts established pursuant to resolution [1874 \(2009\)](#) to provide a final 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 25 February 2022 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 Council resolution 2569 (2021), the final report on its work.

The report was provided to the Security Council Committee established pursuant to resolution 1718 (2006) on 4 February 2022 and was considered by the Committee on 23 February 2022.

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)

Enclosure**Letter dated 4 February 2022 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 \(2006\)](#)**

Further to the technical review by the Secretariat, requested by Member States and conducted following the Panel's completion, by consensus, of its report on 28 January, the Panel of Experts established pursuant to Security Council resolution [1874 \(2009\)](#) has the honour to transmit herewith, in accordance with paragraph 2 of Council resolution 2569 (2021), the final 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 \(2009\)](#)

Summary

During the reporting period, the Democratic People's Republic of Korea continued to maintain and develop its nuclear and ballistic missile programmes in violation of Security Council resolutions. Although no nuclear tests or launches of intercontinental ballistic missiles were reported, the Democratic People's Republic of Korea continued to develop its capability for production of nuclear fissile materials. There was a marked acceleration of the testing and demonstration of new short- and possibly medium-range missiles incorporating both ballistic and guidance technologies and using both solid and liquid propellants, which continues as at the end of January 2022. New technologies tested included a possible hypersonic gliding warhead and a manoeuvrable re-entry vehicle. The Democratic People's Republic of Korea demonstrated increased capabilities for rapid deployment, wide mobility (including at sea) and improved resilience of its missile forces. Maintenance and development of the nuclear and ballistic missile infrastructure of the Democratic People's Republic of Korea continued, and the country continued to seek material, technology and know-how for these programmes overseas, including through cyber means and joint scientific research.

The strict blockade of the Democratic People's Republic of Korea in response to the coronavirus disease (COVID-19) has continued. The reporting period has seen historically low levels of goods and people entering and leaving the country; and licit and illicit trade, including in luxury goods, has largely ceased, although cross-border rail traffic reopened in early 2022. Where trade was observed, differing interpretations by Member States of the provisions of the sanctions regime and erroneous use of country codes continued to affect monitoring of the very low trade statistics.

Although maritime exports of coal from the Democratic People's Republic of Korea increased in the second half of 2021, they were still at relatively low levels. The quantity of illicit imports of refined petroleum increased sharply in the same period, but at a much lower level than in previous years. Direct delivery by non-Democratic People's Republic of Korea tankers to the Democratic People's Republic of Korea ceased, probably in response to COVID-19 measures: instead, only tankers of the Democratic People's Republic of Korea delivered oil, a marked change of methodology. Sophisticated evasion of maritime sanctions continued, facilitated by deliberately obfuscated financial and ownership networks. Although the Democratic People's Republic of Korea-flagged merchant fleet continued to grow, fewer foreign fishing vessels were observed in the country's waters.

There remain some nationals of the Democratic People's Republic of Korea earning revenue overseas, and the COVID-19 blockade prevented their direct repatriation. Cyberattacks, in particular on cryptocurrency assets, remain an important revenue source for the Government of the Democratic People's Republic of Korea.

The humanitarian situation in the Democratic People's Republic of Korea continues to worsen, with the COVID-19 blockade probably the most important factor in that decline. The almost complete lack of information from the Democratic People's Republic of Korea means that the longer-term and unintended humanitarian consequences of United Nations sanctions affecting the civilian population continue to be difficult to disaggregate from other factors. The Panel repeated its survey of humanitarian organizations, some of which successfully provided aid to the Democratic People's Republic of Korea in 2021. The present report includes a summary of their responses.

The report contains 30 recommendations to the Security Council, the Security Council Committee established pursuant to resolution [1718 \(2006\)](#) and Member States (see annex 93). The Panel of Experts continues to be grateful to those Member States that constructively support the Panel in its mandate, although patchy engagement by some Member States, entities and individuals has yet to improve.

Contents

	<i>Page</i>
I. Introduction	7
II. Recent activities related to the nuclear and ballistic missile programmes	7
III. Sectoral and maritime sanctions	34
IV. Embargoes, designated entities and individuals, and overseas workers	70
V. Finance	79
VI. Unintended impact of sanctions	80
VII. National implementation reports	84
VIII. Recommendations	84
Annexes*	85

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

I. Introduction

1. In paragraph 2 of resolution [2569 \(2021\)](#), the Security Council requested the Panel of Experts established pursuant to resolution [1874 \(2009\)](#) to provide to the Security Council Committee established pursuant to resolution [1718 \(2006\)](#) a final report with findings and recommendations. The present report covers the period from 4 August 2021 to 28 January 2022. The Democratic People's Republic of Korea has continued its restrictive measures, including border controls in response to the ongoing coronavirus disease (COVID-19) pandemic, during the reporting period, but in January 2022 limited opening of cross-border transportation was observed (see annex 1).

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

Nuclear

2. The Panel continued to monitor the nuclear programme of the Democratic People's Republic of Korea. Although there was no reported nuclear test during the reporting period, renovation and construction activities at nuclear-related facilities are under way across the country, and there are indications consistent with the operation of the Yongbyon 5 MW(e) reactor and of activities of the Pyongsan mine and concentration plant. The Panel notes that this continuous activity and the development of nuclear facilities appear to be in line with the strategic goals of the Government of the Democratic People's Republic of Korea for its nuclear programme, announced at the Eighth Congress of the Workers' Party of Korea in January 2021 (see annex 2).

Yongbyon site

3. A Member State assessed that the work on the external construction of the light water reactor has been completed, while internal work is still in progress. Satellite imagery analysed by the Panel from August to September 2021 shows intensive construction of a building under way in the area south of the light water reactor (see annex 3). The building is outside the current perimeter of the Yongbyon reactors area (see figure I) and may therefore not be of critical importance.

4. In July 2021, a Member State detected indications of the resumed operation of the 5 MW(e) reactor at the Yongbyon experimental nuclear power plant site. Based on the Panel's satellite imagery analysis (see annex 4), intermittent discharge of cooling water from the reactor has been observed since July. A steam plume from the reactor's hall was observed at the end of November, and thermal imagery from September to November indicated the operation of the reactor.¹ The Panel has not independently corroborated this observation.

5. Satellite imagery showed partial removal of the roof of one of the 50 MW(e) reactor buildings from May to September 2021. A think tank² assessed that the building was originally designed to contain a spent fuel storage pond. Satellite imagery from June and September 2021 corroborates this assessment, as well as showing construction and excavations in adjacent areas. The reactor complex was never completed and it was previously believed to be abandoned (see annex 5).

¹ See www.38north.org/2021/11/north-koreas-yongbyon-nuclear-complex-further-evidence-of-5-mwe-reactor-operations and <https://beyondparallel.csis.org/thermal-imagery-analysis-of-yongbyon>.

² See www.38north.org/2021/09/dismantlement-of-spent-fuel-storage-building-at-yongbyons-50-mwe-reactor.

6. No significant activity has been observed at either the radiochemical laboratory or the thermal plant since the Panel's previous report.³ The Director General of the International Atomic Energy Agency mentioned on 24 November 2021 the absence of indications of the operation of the laboratory since early July 2021 (see annex 6). A Member State assessed that the Democratic People's Republic of Korea may have reprocessed spent fuel rods, although the Panel has been unable to verify this assessment.

7. Since September 2021, the possible removal of the cooling devices⁴ from the Yongbyon centrifuge enrichment facility has been detected and new construction activity adjacent to the facility observed. Plumes of steam at the uranium dioxide production building were occasionally observed from March to September. Continued activity at the uranium dioxide production building indicates that the Democratic People's Republic of Korea is likely to continue its production of nuclear fissile materials (see annex 7).

8. Satellite imagery indicates that new construction activity is under way at the pilot fuel fabrication plant, which was used in the 1980s as the original fuel fabrication facility for the 5 MW(e) reactor (see annex 8).⁵

Pyongsan uranium mine and concentration plant

9. The Panel's satellite imagery analysis shows new construction at a building, the installation of a conveyor at one of the mineshafts and regular railcar activity at the plant. The Panel observed continuous expansion of solid waste in the tailings pond. These activities indicate that the mine and the plant are operational (see annex 9).

Punggye-ri test site

10. The Panel has not observed indications of the site being in operation.

Other sites

11. The Panel continues to monitor activities in the vicinity of Kangson,⁶ a suspected clandestine uranium enrichment facility, including continuous vehicular activity at the site and new construction activities near the main building since July 2021. The purpose of the construction work remains unclear (see annex 10).

12. The Panel continues to monitor the Yongdoktong area, which is believed to be involved in the nuclear weaponization programme of the Democratic People's Republic of Korea, including as a nuclear weapons storage facility.⁷ The Panel observed the activity of several vehicles near the entrance of tunnels. The Panel has also corroborated external information indicating the possible existence of storage for explosives in the area (see annex 11).

³ S/2021/777, para. 5 and annex 5.

⁴ S/2021/211, para. 3 and annex 2.

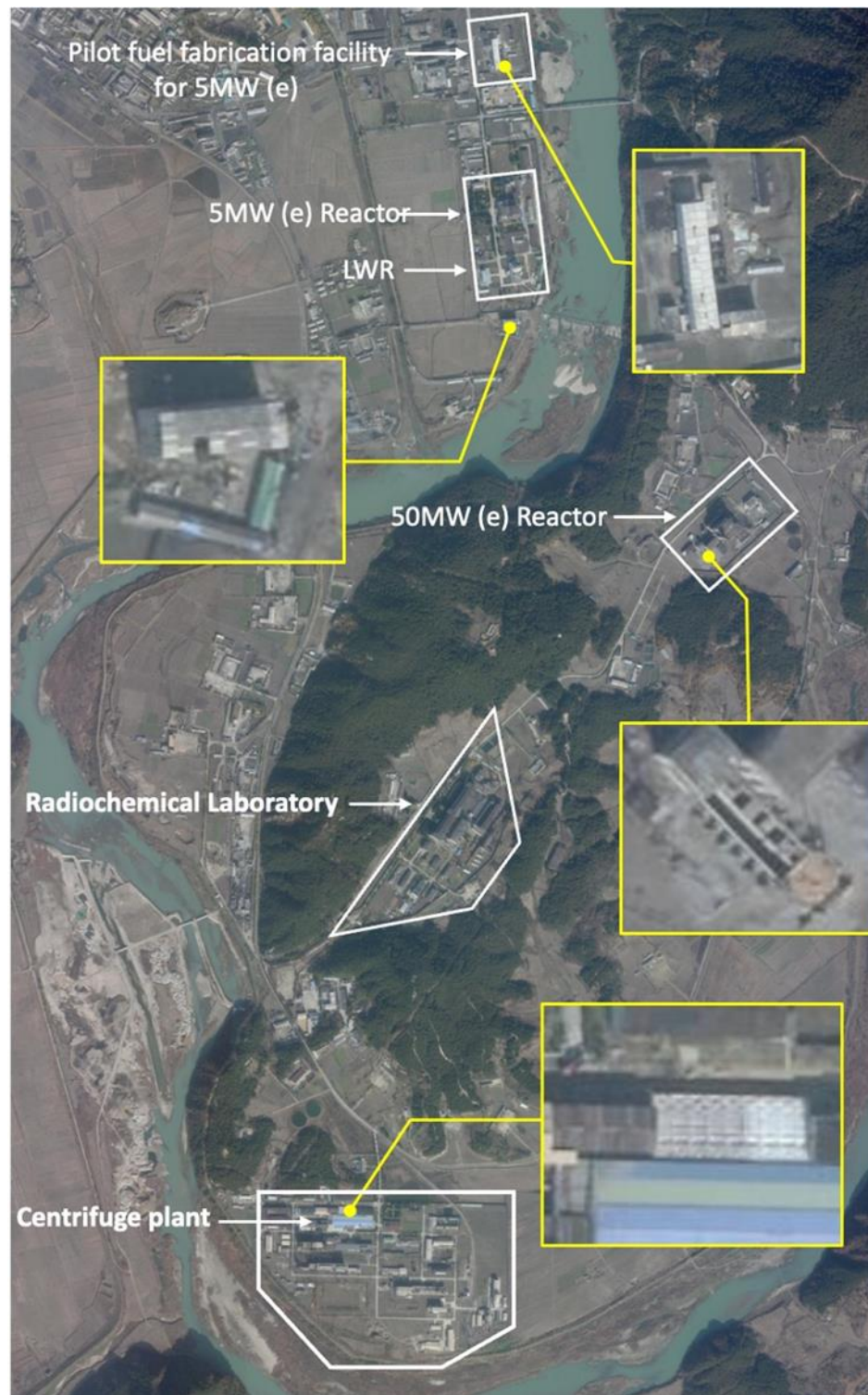
⁵ International Atomic Energy Agency, document GOV/2011/53-GC(55)/24, para. 29.

⁶ S/2021/777, para. 9 and annex 10.

⁷ Ibid., para. 10 and annex 11.

Figure I
Construction and renovation activities in Yongbyon

Location area limits at north-west ($39^{\circ}48'22''\text{N}$ $125^{\circ}44'25''\text{E}$) and south-east ($39^{\circ}45'57''\text{N}$ $125^{\circ}46'08''\text{E}$)



Source: Planet Labs, 6 November 2021.

Intangible transfer of technology and activities of universities of the Democratic People's Republic of Korea

13. The Panel has continued its investigation of the intangible transfer of technology involving scientists of the Democratic People's Republic of Korea in particular fields of activity covered by paragraph 11 of Security Council resolution 2321 (2016). The Panel notes that advanced academic study in several fields (see S/2021/777, para. 11) could be related to nuclear weapons development, ballistic missile design and the possible development of other weapons of mass destruction. The Panel is also concerned that students or academics of the Democratic People's Republic of Korea could collect sensitive proliferation-related information through access to scientific databases and communities. In this respect, the Panel has identified 16 studies that were jointly published between 2017 and 2019 by institutions of the Democratic People's Republic of Korea and a number of Chinese universities in which specific scientists of the Democratic People's Republic of Korea were involved (see annex 12). Open-source information suggests that at least the following seven scientists of the Democratic People's Republic of Korea are concurrently affiliated with universities in both the Democratic People's Republic of Korea and China: Kim Myonghak,⁸ Ri Kwang,⁹ Ju Jong-Min,¹⁰ Pak Sung-Nam, Kim Myong Chol, Kang Kwang-song¹¹ and Choe Jongchol. The Panel wrote to China to clarify the nature of the joint studies and their current status. China replied that, "according to the investigation, there are no prohibited academic exchanges or scientific collaborations between Chinese universities and the DPRK side" (see annex 13). Investigations into a number of other joint scientific papers continue.¹²

14. The Panel is investigating academic exchanges between Pyongyang University of Science and Technology and foreign universities and scientists who have given lectures on various fields at Pyongyang University of Science and Technology (see annexes 14–16).

15. The Panel also requested information from Malaysia on alleged (and possibly historical) technical exchanges between Kim Chaek University of Technology in the Democratic People's Republic of Korea and a company located in Kuala Lumpur. The Panel is investigating whether this company is related to Glocom (see also paras. 135–138 and annexes 17 and 18).

16. The Panel has yet to receive information in response to its previous enquiries relating to academic exchanges between Kim Chaek University of Technology, Kim Il Sung University and foreign academic institutes.¹³

Ballistic missiles

17. After an apparent reduction in demonstrations of ballistic missile programme activity in the first eight months of 2021 (S/2021/777, para. 14), the high intensity of the programme has been revealed again from September 2021 to January 2022 through a large static exhibition of all modern weapon systems of the Democratic People's Republic of Korea, including all new ballistic missiles and a series of launch tests of a wide range of new missile systems (see figures II–XIV).

18. This trend is consistent with the strategic dynamics of the weapons programmes of the Democratic People's Republic of Korea announced by Kim Jong Un at the

⁸ Open Researcher and Contributor ID code 0000-0001-6619-5670.

⁹ Open Researcher and Contributor ID code 0000-0002-3687-4602.

¹⁰ Open Researcher and Contributor ID code 0000-0003-0500-0125.

¹¹ Open Researcher and Contributor ID code 0000-0002-4907-1673.

¹² S/2021/211, para. 13.

¹³ S/2021/777, paras. 12 and 13.

Eighth Congress of the Workers' Party of Korea on 9 January 2021 (see annex 19). Five strategic military goals¹⁴ were declared. It appears that those related to the development of various delivery platforms using either solid or liquid propellant ballistic missiles are being gradually achieved.

19. These new developments analysed by the Panel emphasized specific operational and technological achievements:

- The capability for rapid deployment, wide mobility and increased resilience of the ballistic missile forces of the Democratic People's Republic of Korea (demonstrated by rail-borne short-range ballistic missiles concealed in railway tunnels (see para. 25 and annexes 20 and 21), and also by other technologies demonstrated in a range of launches)
- The implementation of new technologies combining a liquid-propellant ballistic missile booster, possibly pre-fuelled in the factory, with a possibly hypersonic gliding warhead and manoeuvrable re-entry vehicle technology (see paras. 23 and 24 and annexes 22 and 24)
- The attempt to adapt and use one of the new solid-propellant short-range ballistic missiles as a submarine-launched ballistic missile for deployment at sea (see para. 24 and annexes 23, 25 and 26)

¹⁴ The five strategic military goals are: (a) to continuously push ahead with the production of super-sized nuclear warheads; (b) to raise the rate of precision good enough to strike and annihilate any strategic targets within a range of 15,000 kilometres with pinpoint accuracy; (c) to develop and introduce hypersonic gliding flight warheads; (d) to develop solid-fuel engine-propelled intercontinental underwater and ground ballistic rockets; and (e) to possess a nuclear-powered submarine and an underwater-launch nuclear strategic weapon.

Figure II
Ballistic missile launch tests from September 2021 to January 2022 and the
“Self-Defence 2021” arms exhibition on 12 October 2021¹⁵



Source: Korean Central News Agency and Korean Central Television from 16 September 2021 to 18 January 2022.¹⁶ Planet Labs, 17 October 2021, 0146 UTC; 18 October 2021, 0518 UTC; and 20 October 2021, 0443 UTC.

¹⁵ The Democratic People's Republic of Korea has been shown on some previous launch occasions to have modified or falsified photographic images, presumably for propaganda purposes.

¹⁶ See www.nknews.org/pro/wp-content/uploads/kcna-watch/kcna_kp_en/images/MM00289748.jpg?t=1649371935222; Korean Central Television, “Self-defence 2021 arms exhibition at Three Revolution exhibition”, 8 p.m. bulletin video, available at <https://kcna-watch.org/kctv-archive/61658f2826e3a>; articles dated 12 January 2022, *Rodong Sinmun*, available at <https://kcna-watch.org/?t=1649723100702>; and Korean Central News Agency, images dated 15–17 January 2022, available at <https://kcna-watch.org/#gallery-1> to <https://kcna-watch.org/#gallery-9>.

20. In that respect, there was synergy between the “Self-Defence 2021” arms exhibition (see figures III–XIV and annex 20) and the launch tests until January 2022 (see tables 1 and 2). In 2021, the railway-borne short-range ballistic missile test on 15 September (see annex 21) was part of a resumption of dynamic testing of weapons systems, which began earlier on 11 and 12 September with tests of a different type of new missile system.¹⁷ This was followed on 28 September with the launch test of a new missile combining ballistic and guidance technology named “Hwasong-8” by the Democratic People’s Republic of Korea, which was described as a “hypersonic missile” (see annex 22). On 30 September, a new “anti-aircraft missile” test was conducted, demonstrating an improved control system, according to the Democratic People’s Republic of Korea,¹⁸ and on 19 October a missile described by the Democratic People’s Republic of Korea as “a new type of submarine-launched ballistic missile” was tested at sea (see annex 23). On 5 January 2022, the launch test of another new missile combining ballistic and guidance technology was described by the Democratic People’s Republic of Korea as for a missile carrying a “hypersonic manoeuvrable re-entry vehicle”, and on 11 January another launch test of the same kind of missile, identified by Member States as a possible “hypersonic missile”, represented, according to one Member State, an improvement over the missiles tested on 28 September 2021 and 5 January 2022 (see annex 24). On 14 January 2022, another operational railway-borne short-range ballistic missile test was carried out. The missiles were similar to the KN-23 (S/2021/211, para. 20). This was followed on 17 January 2022 by a launch test of two other short-range ballistic missiles similar to the KN-24 (S/2021/211, para. 20) (see annex 21).¹⁹ The views of China on the missile launches are contained in annex 20-3.

¹⁷ The tests on a long-range cruise missile were described by the Democratic People’s Republic of Korea as a “strategic weapon of great importance”. According to the Korean Central News Agency, “Long-range cruise missiles newly developed by Academy of Defence Science successfully test-fired”, 13 September 2021, “the development of the long-range cruise missile, a strategic weapon of great significance in meeting the key target of the five-year plan for the development of the defence science and the weapon system set forth at the 8th Congress of the Party, has been pushed forward according to the scientific and reliable weapon system development process for the past two years and, in this course, detailed tests of missile parts, scores of engine ground thrust tests, various flight tests, control and guidance tests, warhead power tests, etc. were conducted with success”. According to a Member State, the same missile seems to have been displayed at the “Self-Defence 2021” exhibition; the missile appears to be a subsonic cruise missile equipped with two wings, a turbojet engine with an air inlet and a solid propulsion gas pedal used in the initial firing phase; these specifications, if confirmed, would provide the Democratic People’s Republic of Korea with a significantly superior capacity compared with the missiles already detained, such as the Kumsong-3 cruise missile, and the missile would be a valuable diversification of the short-range ballistic missiles arsenal of the Democratic People’s Republic of Korea, given its low altitude flight and manoeuvrability capabilities (reported distance travelled of 1,500 km and flight time of 7,580 seconds). If this missile is considered by the Democratic People’s Republic of Korea as a “strategic weapon”, its possible nuclear capability would require that the nuclear weapon’s size be significantly reduced. Another Member State added that the missile travelled along oval and pattern-of-eight flight paths over the territorial land and waters of the Democratic People’s Republic of Korea and hit targets. The test launches showed that the technical indices, such as the thrust power of the newly developed turbine-blast engine, the missiles’ navigation control and their impact accuracy by the combined guided mode, met the requirements of the designs.

¹⁸ According to Voice of Korea, of the Democratic People’s Republic of Korea, “Newly-developed anti-air missile test-fired”, 1 October 2021, “the Academy of Defence Science announced that remarkable combat function of the latest anti-air missile was confirmed, which drastically increased the fast response, guiding accuracy and target hitting distance of the missile control system by introducing major new technology including the twin rudder controlling technique and double impulse flight motor. It said the recent test-firing is of great practical significance in the prospective research and development of different kinds of anti-air missile system”.

¹⁹ Two experts expressed the view that the nature and the technology of the projectiles launched by the Democratic People’s Republic of Korea mentioned in this paragraph were not fully clear.

21. In addition, the Democratic People's Republic of Korea has continued to adapt its industrial production infrastructure as well as its shipyards (see annexes 25–27).²⁰ Although international sanctions and Member States' controls are significantly reducing the procurement and proliferation possibilities of the Democratic People's Republic of Korea, it continued to seek dual-use components and technology needed for its weapons of mass destruction programme (see paras. 26–38 and annex 28) as well as scientific cooperation (see para. 13 and annex 12).

22. According to Member States, the exhibition of several new missiles per class type at the "Self-Defence 2021" exhibition marks the willingness of the Democratic People's Republic of Korea to demonstrate its high level of commitment to sustaining and developing its ballistic missile programme despite the country's severe economic situation. By simultaneously developing very different ballistic missile technologies, such as those using a liquid-propellant engine or a solid-propellant engine, various types of launch platforms using a large range of transporter erector launchers, rail-based launchers or a submarine, the Democratic People's Republic of Korea has to simultaneously engage different subprogrammes involving specific research and development and production implemented by a number of separately skilled engineering and technical teams.

²⁰ Activity in industry and bases linked to the BM programme: Sinpo south shipyard (40°01'20"N 128°09'47"E), February–June 2021 (annex 25); Nampo naval shipyard (38°43'08"N 125°23'28"E), November 2020–June 2021 (annex 26); and Kusong tank factory (No. 95 factory, 40°03'23"N 125°13'20"E) and No. 112 factory (40°04'07"N 125°11'52"E) (annex 27).

“Self-Defence 2021” arms exhibition

Figure III

“Self-Defence 2021” arms exhibition at the “Three Revolution Exhibition” from 12 October 2021

(39°04'49"N 125°45'23"E)



Source: Korean Central Television,²¹ 12 October 2021. Planet Labs, 5 September 2021, 0210 UTC; and 1 October 2021, 0220 UTC.

²¹ Korean Central News Agency, “Self-defence 2021 arms exhibition at Three Revolution exhibition”, 8 p.m. bulletin video (39°04'49"N 125°45'23"E), available at <https://kenawatch.org/kctv-archive/61658f2826e3a>.

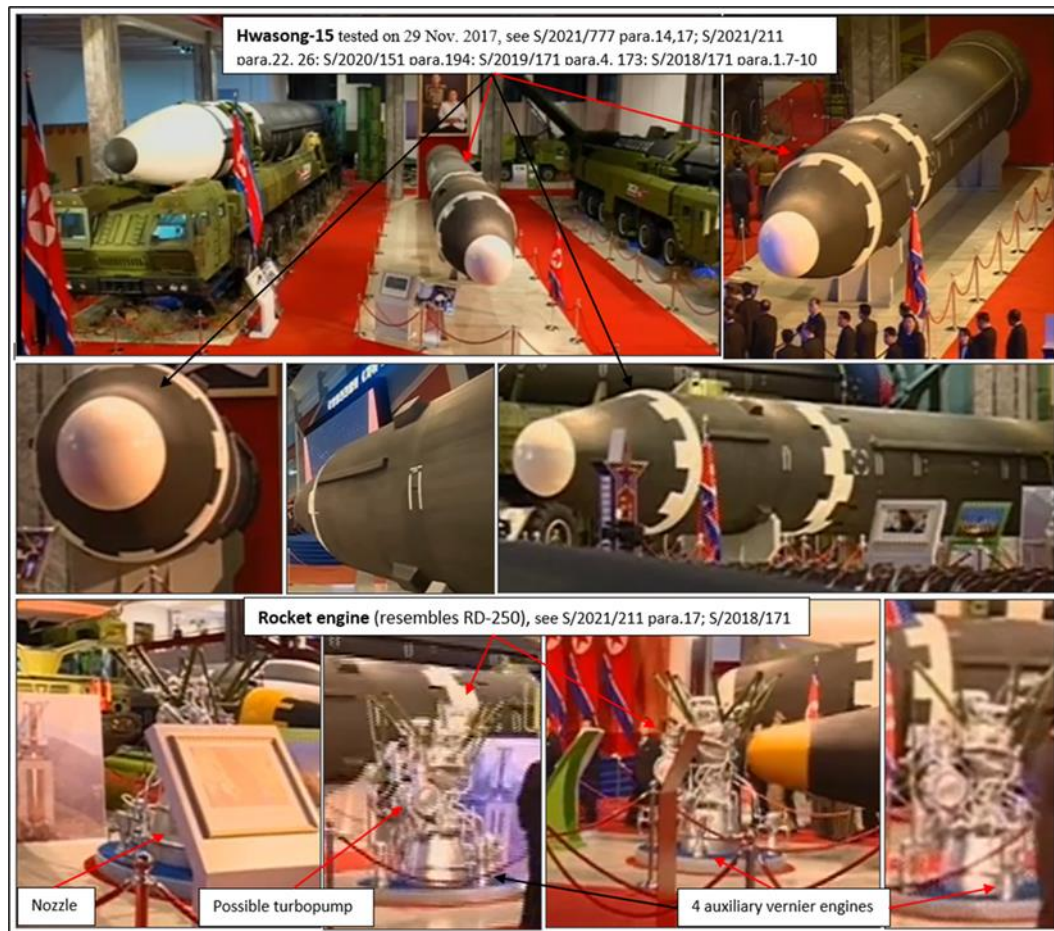
Figure IV
New intercontinental ballistic missile²² at “Self-Defence 2021” exhibition



Source: Korean Central Television, 12 October 2021.

²² New intercontinental ballistic missile recently called “Hwasong-17” by the Democratic People’s Republic of Korea media and also known as “Hwasong-16”.

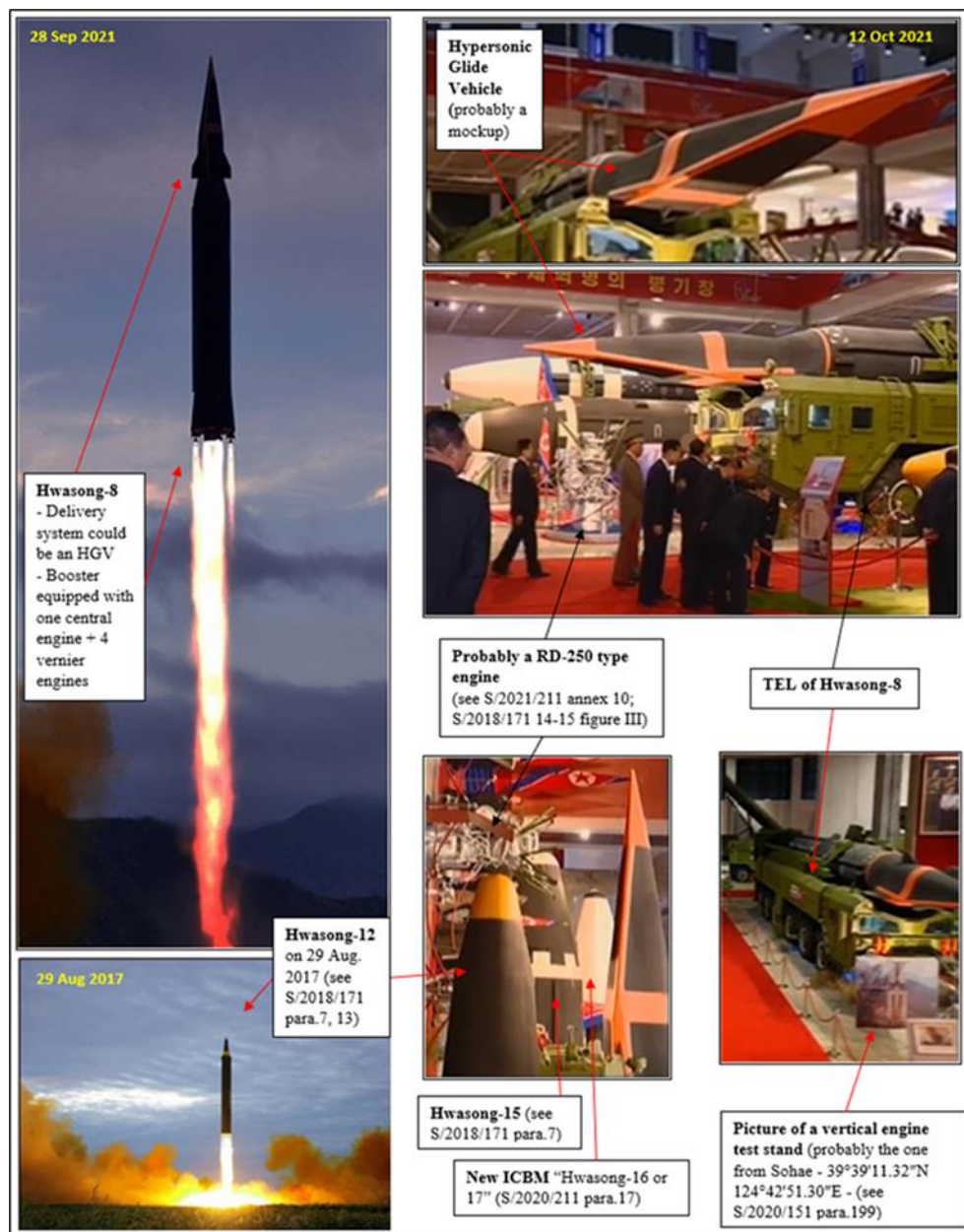
Figure V
Intercontinental ballistic missile “Hwasong-15” tested on 29 November 2017 and a rocket engine (possibly derived from RD-250)



Source: Korean Central Television, 12 October 2021.

23. The new so-called “hypersonic Hwasong-8 missile” was showcased at the “Self-Defence 2021” exhibition on 11 October 2021 and was probably tested previously on 28 September 2021 (see figure VI).

Figure VI
New hypersonic ballistic missile “Hwasong-8”, likely tested on 28 September 2021



Source: Korean Central Television, 12 October 2021; Korean Central News Agency; and *Rodong Sinmun*.²³

24. A new missile combining ballistic and guidance technology and which, according to the Democratic People’s Republic of Korea, delivers “the hypersonic gliding warhead”, was showcased at the “Self-Defence 2021” exhibition on 11 October 2021 and likely tested on 5 January and 11 January 2022 (see figure VII, top right). This new liquid-fuelled medium-range ballistic missile seems to carry a manoeuvrable re-entry vehicle (with the orange cone in the picture); also pictured is the intermediate-range

²³ Korean Central News Agency and *Rodong Sinmun* (English; original version at source), “Hypersonic missile newly developed by Academy of Defence Science test-fired”, 29 September 2022.

ballistic missile Hwasong-12 (KN-17 with the yellow markings, whose likely last launch test was on 15 September 2017), the submarine-launched ballistic missile Pukguksong-5, the submarine-launched ballistic missile Pukguksong-1 (KN-11, whose likely last launch test was on 24 August 2016) and the new short-range submarine-launched ballistic missile (possibly tested on 19 October 2021) (see figure VII).

Figure VII

Intermediate-range ballistic missile Hwasong-12 (KN-17) (yellow markings); possible new medium-range ballistic missile with a manoeuvrable re-entry vehicle (orange cone); submarine-launched ballistic missile Pukguksong-5; submarine-launched ballistic missile Pukguksong-1 (KN-11); and a new short-range submarine-launched ballistic missile



Source: Korean Central Television, 12 October 2021; and Korean Central News Agency.²⁴

25. The new solid-propellant short-range ballistic missiles that were paraded and tested from 2019 to 2021 were showcased at the “Self-Defence 2021” exhibition, such as a new short-range ballistic missile resembling the KN-23 (“new-type tactical

²⁴ See Korean Central News Agency, www.nknews.org/pro/wp-content/uploads/kcna-watch/kcna_kp_en/images/MM00289748.jpg?t=1649371935222 and <https://kcna-watch.org/?t=1649723100702>.

guided missile”, possibly a modified and enlarged version) whose likely last launch test was on 25 March 2021.²⁵ KN-23s were likely on the railway-borne missile system that was tested on 15 September 2021 and again on 14 January 2022. The other recent short-range ballistic missiles and rockets using ballistic missile technology, such as the KN-24 (likely operationally tested again on 17 January 2022), the KN-25 and the KN-09,²⁶ were presented at the exhibition as well as a range of cruise and air defence missiles, which use both the solid propellant technology for their booster or engine and the guidance systems technology that is also used in ballistic missile technology (see figures VIII–XIV).

Figure VIII

New short-range ballistic missile resembling the KN-23 (“new-type tactical guided missile”), likely last test-launched on 25 March 2021



Source: Korean Central Television, 12 October 2021.

²⁵ S/2021/777, para. 16.

²⁶ S/2019/691, annex 32; S/2020/151, para. 194; S/2020/840, para. 11; and S/2021/211, para. 11.

Figure IX
Short-range ballistic missile KN-23



Source: Korean Central Television, 12 October 2021.

Figure X
 KN-24 (also “ground-to-ground ballistic missile Hwasong-11A”) and one
 sand-coloured (tan) missile, likely last test-launched on 17 January 2022



Source: Korean Central Television, 12 October 2021.

Figure XI
KN-25 (multiple-launch rocket system, 600 mm) likely last test-launched on 29 March 2020



Source: Korean Central Television, 12 October 2021.

Figure XII
KN-09 (multiple-launch rocket system, 300 mm or 240 mm)



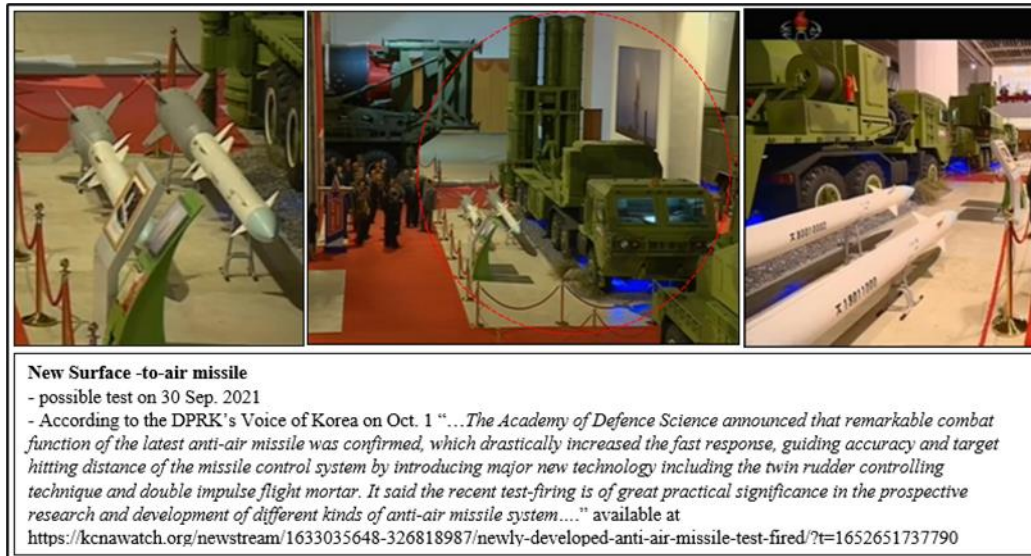
Source: Korean Central Television, 12 October 2021.

Figure XIII
Cruise missile: anti-ship missile and long-range cruise missile tested on 12 September 2021



Source: Korean Central Television, 12 October 2021.

Figure XIV
Air defence: surface-to-air missile tested on 30 September 2021



Source: Korean Central Television, 12 October 2021.

Table 1

Summary of launches of ballistic missiles or systems using ballistic missile technology and liquid fuel propellant by the Democratic People's Republic of Korea, 28 September 2021 to 11 January 2022

<i>No. test from 2019</i>	<i>No.</i>	<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>
	No. in 2021–2022		Liquid fuel ballistic missiles fired since 2021: 3						
1st	1st	28 Sep. 2021 0640 or 0638	<p>Hwasong-8 “hypersonic glide vehicle” disclosed at the “Self-Defence 2021” missile exhibition on 11 October 2021, after the launch test on 28 September (KCNA)</p> <p>– Short-range ballistic missile</p> <p>– Missile total length is around 14.5 m for a body diameter of 1.4 m</p> <p>– Re-entry vehicle length is around 4.7 m for a rear diameter of around 0.9 m</p> <p>– 6-axle wheeled transporter erector launcher</p>	1	From north of Mupyong-ni, Chagang Province, eastwards into waters off the east coast	200	60	<p>– The mention by the Democratic People's Republic of Korea of a “missile fuel ampoule” used in liquid propellant ballistic missiles enables the missile to be loaded with propellant at the factory (KCNA)</p> <p>– The main body of the missile appeared to be made from a liquid propellant booster that resembled, but was shorter than, the single-stage intermediate-range ballistic missile Hwasong-12</p> <p>– The possible hypersonic glide vehicle resembled an already existing hypersonic glide vehicle^a it appears to be at an early stage of development that would require considerable time for actual deployment</p> <p>– It is known to have flown at a speed of around Mach 3 at that time</p>	The Academy of Defence Science conducted the first test fire of the hypersonic Hwasong-8 missile from Toyang-ni, Chagang Province, on Tuesday 28 (KCNA, 29 Sep. 2021) ^b

<i>No. test from 2019</i>	<i>No.</i>	<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>
2nd	1st	5 Jan. 2022 0810	Short-range ballistic missile or medium-range ballistic missile – “Hypersonic glide vehicle warhead” disclosed at the “Self-Defence 2021” missile exhibition on 11 October 2021, before the 5 January launch test (KCNA) – Re-entry vehicle seems to be a manoeuvrable re-entry vehicle – 6 axle-wheeled TEL	1	From Chagang Province, eastwards into waters off the east coast	500 (or more)	50	– The shape of the warhead of the missiles tested on 28 September and on 5 January was different. It is judged to be one of the other types of missiles first unveiled in October – The main body of the missile appeared to be made from a liquid-propellant booster that resembled, but was shorter than, the single-stage intermediate-range ballistic missile Hwasong-12 – Maximum speed between Mach 3 and 6	Hypersonic gliding warhead (KCNA, 7 Jan. 2022) ^c
3rd	2nd	11 Jan. 2022 0727	Short-range ballistic missile or medium-range ballistic missile – “Hypersonic glide vehicle warhead” disclosed at the “Self-Defence 2021” missile exhibition on 11 October 2021, before the 11 January launch test (KCNA) – Re-entry vehicle seems to be a manoeuvrable re-entry vehicle – 6 axle-wheeled TEL	1	From Chagang Province, eastwards into waters off the east coast	700 (or more)	60	– The shape of the warhead of the missiles appears similar to that tested on 5 January 2022 – The main body of the missile appeared to be made from a liquid-propellant booster that resembled, but was shorter than, the single-stage intermediate-range ballistic missile Hwasong-12 – Possible maximum speed around Mach 10 (around 3,400 m/s = 12,240 km/h)	– “The hypersonic missile weapon system ... 600 kilometres and 240-kilometre acute circular ... hit the target in the waters 1,000 kilometres away” (KCNA, 12 Jan. 2022) ^d

<i>No. test from 2019</i>	<i>No.</i>	<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>
								– Kim Jong Un officially attended the missile test with Jo Yong-won, member of the Presidium of the Political Bureau (KCNA, 12 Jan. 2022)	

Source: Member States and Panel.

Abbreviation: KCNA, Korean Central News Agency.

^a These hypersonic glide vehicles are a solid-propellant hypersonic missile showcased by a Member State at a military parade in 2019.

^b Korean Central News Agency, 29 September 2021: “The navigational control and stability of the missile in the active section as well as its technical specifications, including the guiding manoeuvrability and the gliding flight characteristics of the detached hypersonic gliding warhead”. “The engine as well as of missile fuel ampoule that has been introduced for the first time” was “ascertained”.

^c Korean Central News Agency, 7 January 2022: “The missile made a 120 km lateral movement from the initial launch azimuth” and “precisely hit a set target 700 km away”. “The test launch clearly demonstrated the control and stability of the hypersonic gliding warhead which combined the multi-stage gliding jump flight and the strong lateral movement” ... “was overseen by the Academy of Defence Science”.

^d According to an excerpt from the Korean Central News Agency, 12 January 2022, “the hypersonic gliding warhead was separated from the launched missile, made a gliding releap from the point of 600 kilometres and 240-kilometre acute circular flight from the initial launch azimuth to the pinpoint to hit the target in the waters 1,000 kilometres away”; available at NK News/Korean Central News Agency Watch website, <https://kcnowatch.org/newstream/1641940310-600724419/distinguished-feat-of-wpk-in-history-of-leading-juche-based-defence-industry/?t=1649727166452>.

Table 2

Summary of launches of ballistic missiles or systems using ballistic missile technology and solid fuel propellant by the Democratic People's Republic of Korea, 25 March 2021 to 17 January 2022^a

<i>No. Test from 2019</i>	<i>No.</i>	<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>
	No. in 2021–2022		Solid fuel ballistic missiles fired since 2019: 45						
18th	1st	25 Mar. 2021	New short-range ballistic missile	2	Area of Hamju	600	60 or 100	See S/2021/777 , table 1	
19th	2nd.	15 Sep. 2021 1234 and 1239 or 1232 and 1237	Short-range ballistic missile. It appears to be the previously displayed and tested short-range ballistic missile KN-23, tested as a railway-borne missile system, that was displayed at the “Self-Defence 2021” missile exhibition on 11 October 2021	2	From a railcar at the entrance of a tunnel located at 39°16'31"N 126°48'17"E in the Yangdok area of South Phyongan Province, ^b eastwards into waters off the east coast but inside the exclusive economic zone of Japan	800	60	<ul style="list-style-type: none"> – New railway-borne missile system – Time between launches: 5 minutes – The trajectories were the longest of the solid fuel ballistic missiles tested since 2019, with a “pull-up manoeuvre” detected – If it was the KN-23, it showed increased range compared with previous tests, probably because of a reduced payload – The use of a railway-borne launcher gives the Democratic People's Republic of Korea a mode of transport for a variety of missiles, which it can rapidly deploy and launch from anywhere on its rail network, providing another option for concealing and launching its missile force 	“The Railway Mobile Missile Regiment” ^c (Voice of Korea, KCNA, 19 Sept. 2021)

<i>No. Test from 2019</i>	<i>No.</i>	<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>
20th	3rd	19 Oct. 2021 1017 or 1015	Submarine-launched ballistic missile. It appears to be a new short-range submarine-launched ballistic missile that was displayed at the “Self-Defence 2021” missile exhibition on 11 October 2021 Missile length, without tube adaptor, is around 6.8 m for a body diameter of 1 m	1	From a Gorae/Sinpo class submarine (or a submersible test stand barge) located in the area of Sinpo (South Hamgyong Province), eastwards into waters off the east coast	600 or 430	60 or 50	New smaller submarine-launched ballistic missile – A pull-up manoeuvre has been detected but with no significant horizontal movement – Its design is smaller than the submarine-launched ballistic missile Pukguksong missile series and resembled those of the short-range ballistic missiles KN-23 and KN-24 as well as having similar flight characteristics. It could be fielded in multiple launch tubes from a larger Romeo class submarine of the Democratic People’s Republic of Korea that increases offshore strike capability – The missile was reportedly launched from an experimental Gorae/Sinpo-B class ballistic missile submarine called “8.24 Yongung”, whose launch tube may have been adapted for a smaller submarine-launched ballistic missile than the Pukguksong type – However, the missile may have been launched from a submersible test stand barge	“A new-type of submarine-launched ballistic missile” (KCNA, 20 Oct. 2021) ^d

<i>No. Test from 2019</i>	<i>No.</i>	<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>
21st	1st	14 Jan. 2022 1441 and 1452	Short-range ballistic missile. It appears to be the same type of KN-23 short-range ballistic missile recently tested twice as a railway-borne missile system, on 15 September 2021 and 14 January 2022. It was displayed at the “Self-Defence 2021” missile exhibition on 11 October 2021. The wagon appears likely to be adapted from a freight wagon ^e	2	From a railcar in the Uiju area (possibly located in the rectangle, south-west corner 40°13'10"N 124°34'02"E, north-east corner 40°13'06"N 124°33'57"E), north-eastwards into waters off the east coast and impacting an uninhabited island (possible target location 40°38'50"N 129°33'02"E")	430 or 400	36 or 50	<ul style="list-style-type: none"> – New railway-borne missile system already tested on 15 Sept. 2021 – Time between launches: 11 minutes – Maximum speed: Mach 6 – If it was the KN-23s, their trajectories were comparable in range and manoeuvre to previous tests in 2019–2020, including a detected “pull-up manoeuvre” – The use of a railway-borne launcher gives the Democratic People’s Republic of Korea a mode of transport for a variety of missiles, which it can rapidly deploy and launch from anywhere on its rail network, providing another option for concealing and launching its missile force 	“Firing drill of railway-borne missile regiment”) or “Firing drill for inspection of Railway Mobile Missile Regiment” (KCNA, 15 Jan. 2022)
22nd	2nd	17 Jan. 2022 0849 and 0852 or 0850 and 0854	Short-range ballistic missile. It appears to be the same type of KN-24 short-range ballistic missile tested on 21 March 2020 and that was displayed at the “Self-Defence 2021” missile exhibition on 11 October 2021	2	From a track transporter erector launcher located at the area of Pyongyang-Sunan airport (possibly located at 39°15'44"N 125°40'34"E), north-eastwards into waters off the east coast and impacting an uninhabited island (possible target	300 or 380	50 or 42	<ul style="list-style-type: none"> – Time between launches: 3 or 4 minutes – Maximum speed: Mach 5 – The fired location if confirmed was very close to the location of the Hwasong-12 launch test site on 29 August 2017 (S/2019/171 and S/2019/171/Corr.1, para. 174, and annex 84) – The transporter erector launcher chassis may be based on the 	“Two tactical guided missiles” ... “to confirm the weapons system’s accuracy” (KCNA, 18 Jan. 2022) ^g

No. Test from 2019	No.	Date and time (local)	Reported type	Number	Reported launch location	Reported distance travelled (kilometres)	Reported apogee (kilometres)	Remark	Korean Central News Agency classification
			– It was also called “Hwasong-11 Na” or Hwasong-11 B” ^f		location 40°38’50”N 129°33’02”E)			Pokpung-ho battle tank chassis of the Democratic People’s Republic of Korea (derived from T62 and T72; see S/2020/151 , annex 58.4.2)	

Source: Member States and Panel.

Abbreviation: KCNA, Korean Central News Agency.

^a [S/2021/777](#), table 1; and [S/2020/840](#), table 1.

^b According to a Member State, the location could be 39°16’2.04”N 126°47’17”E. This assessment of the coordinates is slightly different from the Panel’s analysis of the Korean Central News Agency video, which gives an idea of the length of the tunnel and the curve of the track.

^c “The Railway Mobile Missile Regiment took part in the drill with a mission to move to the central mountainous area and strike the target area 800 kilometres away early on the morning of 15 September” (Voice of Korea, Korean Central News Agency, 19 September 2021).

^d *Rodong Sinmun*/Academy of National Defence Science, 20 October 2021: the Democratic People’s Republic of Korea stated that it had “successfully” conducted test-firing of a new type of submarine-launched ballistic missile. “The new submarine-launched ballistic missile ... will greatly contribute to our country’s defence technology advancement and the navy’s underwater operational capabilities”. Korean Central News Agency, 20 October 2021: “The Academy of National Defence Science conducted the test launch from ‘8.24 Yongung’ where its first submarine-launched ballistic missile was successfully launched five years ago to demonstrate the military muscle of the Democratic People’s Republic of Korea”. “It clarified that the new-type submarine-launched ballistic missile, into which lots of advanced control guidance technologies including flank mobility and gliding skip mobility are introduced, will greatly contribute to putting the defence technology of the country on a high level and to enhancing the underwater operational capability of our navy”.

^e See annex 21.

^f NK News, “North Korea says it successfully launched ‘tactical guided missiles’ on Monday”, 18 January 2022.

^g Korean Central News Agency, “The Academy of Defence Science confirmed the accuracy, security and efficiency of the operation of the weapon system under production”, 18 January 2022.

Procurement of illicit weapons of mass destruction-related choke-point commodities

O Yong Ho

26. According to a Member State, O Yong Ho,²⁷ currently based in Moscow as a diplomat of the Democratic People's Republic of Korea,²⁸ is involved in procuring items connected to the ballistic missile programme of the Democratic People's Republic of Korea through his support to the United Nations-designated Second Academy of Natural Sciences (also known as the Academy of National Defence Science).²⁹

27. According to the Member State, from 2016 to 2020, despite the reported "disruption" by the Russian Federation of similar purchase attempts, O attempted and sometimes succeeded in purchasing Russian aramid fibre (Kevlar), equipment including winders used to produce aramid fibre, a Russian version of a spinning nozzle, four specific chemicals, stainless steel used in the production of liquid-propellant ballistic missiles, specific steels used in the manufacture of the hull of ballistic missile submarines of the Democratic People's Republic of Korea, bearings, instruction and technical expertise on solid-propellant production as well as computer-aided design drawings of a cruise missile and hot and cold isostatic presses. For some of these transactions, O used cover terms (see annex 28 for details, including O's procurement activities and contacts).

28. In response to the Panel's enquiry, the Russian Federation replied that "the Russian authorities have no information about his (O Yong Ho) involvement in illegal operations ... The Russian customs authorities have no information regarding foreign trade contracts concluded by the persons named in the letter or the export from Russia to North Korea of goods subject to international sanctions listed in the letter" (see annexes 28 and 29).

Kim Jong Dok

29. The Panel continued its investigation³⁰ into other procurement activities that may be related to the nuclear and ballistic missile programme of the Democratic People's Republic of Korea. The Panel has reported that Korea Machinery General Trading, represented by Kim Jong Dok, regularly placed orders for sensitive industrial materials, including 1Cr18Ni9Ti stainless steel.³¹ According to a Member State, Kim Jong Dok placed these orders with Dandong-based Dandong Jongsan Trading³² through his main contact, Jon Gon Hua.³³ Several Chinese companies are said to have been involved, including Zibo Stirling Mechanical Equipment Co. Ltd. and Shandong Jinjian Heavy Mining Equipment Co. Ltd. The companies have yet to reply to the Panel (see annex 30).

²⁷ Date of birth: 25 December 1961, diplomatic passport no. 108410041 (issued 13 October 2018, expires 13 October 2023).

²⁸ According to a Member State, O is an employee of the office of the Commercial Counsellor of the Embassy of the Democratic People's Republic of Korea in Moscow in charge of procurement of civilian production-related and consumer goods in the country. The Russian authorities have no information about his involvement in illegal operations.

²⁹ Listed separately on the Committee's sanctions list as KPe.018 and KPe.021, respectively.

³⁰ S/2021/777, para. 22 and annex 27.

³¹ A joint advisory issued by the Government of the United States of America detailing efforts by the Democratic People's Republic of Korea to procure sensitive material and technology mentions that steel alloys containing titanium are likely imports for the ballistic missile programmes of the Democratic People's Republic of Korea, and explicitly lists 1Cr18Ni9Ti as one such alloy. See https://home.treasury.gov/system/files/126/20200901_nk_ballistic_missile_advisory.pdf.

³² 丹东鼎山贸易有限公司.

³³ Jon Gon Hua is likely a national of the Democratic People's Republic of Korea and Dandong Jongsan a front company of Korea Machinery General Trading to acquire sensitive material in China. He is said to be one of the directors of the company together with Li Faming.

Rim Ryong Nam

30. Multiple Member States provided information to the Panel that a Shenyang-based individual, Rim Ryong Nam,³⁴ has been acting as a procurement representative for the Munitions Industry Department of the Democratic People's Republic of Korea (KPe.028). Not only had he been seeking to purchase commodities known to be used in solid-propellant manufacture in 2018, but he successfully purchased and shipped several tons of aluminium powder to the Ministry of Rocket Industry of the Democratic People's Republic of Korea. A few Chinese companies seem to have been involved, including Shandong Zhangqiu Metallic Pigment Co. Ltd.³⁵ and Shenyang Jingchengjin Import and Export Co. Ltd. (see annex 30).

31. China replied that it "has conducted careful investigation based on the information provided by the Panel. We did not find any transactions of aluminium powder by Rim Ryong Nam within China. Nor did we find any information of the company registered under this person's name. Rim currently is not within the territory of China". No replies have yet been received from the companies.

Recommendation

32. The Panel recommends the designation of the following individual for his role in and support for the prohibited programme of the Democratic People's Republic of Korea: Mr. O Yong Ho,³⁶ currently based in Moscow as a diplomat of the Democratic People's Republic of Korea, is involved in procuring items connected to the ballistic missile programme of the Democratic People's Republic of Korea through his support to the United Nations-designated Second Academy of Natural Sciences (also known as the Academy of National Defence Science).

III. Sectoral and maritime sanctions

Refined petroleum products

33. In the Panel's previous reporting,³⁷ very low levels were noted of refined petroleum product deliveries (either licit or illicit) to the Democratic People's Republic of Korea in the first six months of 2021. Official declarations to the Committee of refined petroleum deliveries to the Democratic People's Republic of Korea have remained historically low throughout the year (there have been no deliveries declared by the Russian Federation) and remain at only 7.67 per cent of the permitted annual cap volume of 500,000 barrels^{38,39} (see figure XV).

³⁴ Rim is a national of the Democratic People's Republic of Korea and his date of birth is 5 December 1978. Acquired information also suggests that he is directly involved with a company called China Yantai Panocean Shipping Agency Co. Ltd. (烟台泛洋船务代理有限公司).

³⁵ 章丘市金属颜料有限公司铝粉厂.

³⁶ One expert expressed the view that more evidence is needed for designation.

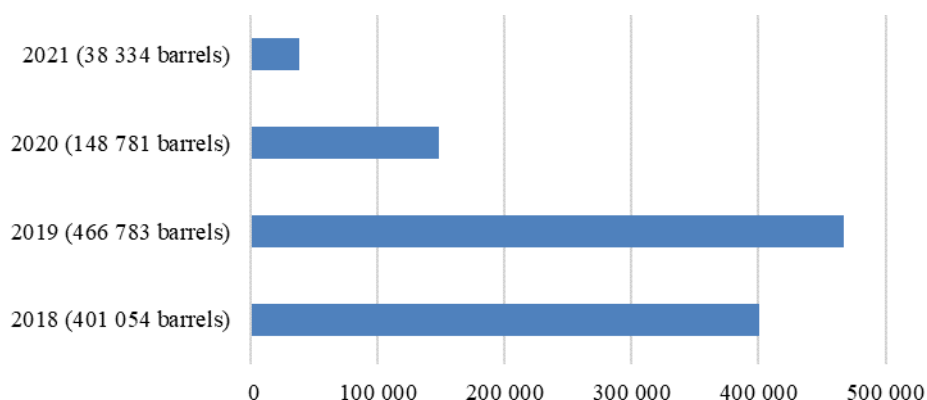
³⁷ S/2021/777, paras. 25 and 26.

³⁸ Declarations of zero deliveries of refined petroleum products are not required under Security Council resolution 2397 (2017), and in the past China has not, as the Russian Federation has continued to do throughout 2021, declared monthly deliveries of zero when no deliveries have been made.

³⁹ Security Council resolution 2397 (2017), para. 5.

Figure XV

Refined petroleum deliveries to the Democratic People's Republic of Korea declared to the Committee by the Russian Federation and China, 2018–2021



Source: www.un.org/securitycouncil/sanctions/1718/supply-sale-or-transfer-of-all-refined-petroleum and the Panel.

34. In December 2021, 50 Member States submitted a report (see annex 31) to the Committee stating that the cap on refined petroleum products had been breached in the second half of 2021. The report contained images of 18 unreported deliveries of refined petroleum products by tankers of the Democratic People's Republic of Korea to the country's ports in the period. These vessels, if 90 per cent laden, were assessed to have delivered 323,865 barrels of illicit imports. There were 11 images of Democratic People's Republic of Korea-flagged vessels waiting to discharge their cargo as at 30 September 2021, representing another 202,102 barrels, if they were 90 per cent laden. Combined, these volumes would represent 525,967 barrels of illicit imports, a breach of the cap. Two Committee members disagreed with the findings of the report (see annex 32), citing a lack of solid evidence and insufficient facts, in particular regarding the methodology of delivery (ship-to-ship transfer in the exclusive economic zone of the Democratic People's Republic of Korea) and the amount of refined oil estimated to be carried by each vessel.

35. In an attempt to identify the vessels used to transport officially declared deliveries of refined petroleum products, the Panel wrote to China requesting the names, ownership and management details of the vessels involved in licit deliveries, as well as the ports and dates of loading and delivery.⁴⁰ China responded:

After the Security Council adopted resolution 2397, the Chinese side published notifications immediately, setting up regulations on exporting refined petroleum products to the Democratic People's Republic of Korea, and ensuring the activities of Chinese enterprises and individuals are consistent with resolutions. China has been notifying the 1718 Committee of the amount of China's exports of refined petroleum products to the Democratic People's Republic of Korea. The overwhelming majority of China's exports of refined petroleum products to the Democratic People's Republic of Korea are products such as lubricating oil and asphalt, rather than fuel products such as petrol, diesel and kerosene. The total amount has always been kept at an extremely low level.

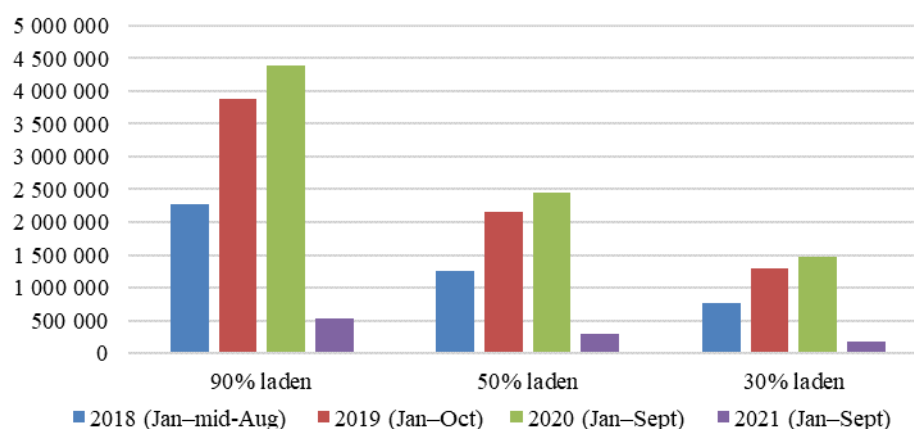
⁴⁰ In paragraph 5 (a) of its resolution 2397 (2017), the Security Council established the 500,000 barrel cap, provided that the Member State notifies the Committee every 30 days of the amount of such supply, sale or transfer to the Democratic People's Republic of Korea of refined petroleum products along with information about all the parties to the transaction.

36. The Panel continually monitors the imports to the Democratic People's Republic of Korea of refined petroleum products in contravention of the sanctions regime (see paras. 38–41). There is some logic in the idea of vessels of the Democratic People's Republic of Korea maximizing illicit deliveries to offset the time spent in offshore quarantine, but the Panel assesses that an average laden figure of 90 per cent for each vessel may be high. The Panel notes, however, that the report from the 50 Member States measured deliveries only until the end of September 2021.⁴¹

37. The Panel notes that the estimated illicit deliveries in the report by 50 Member States were at an extremely low level in 2021 in comparison with similarly evidenced estimates by groups of Member States from previous years (see figure XVI).

Figure XVI⁴²

Estimated illicit refined petroleum deliveries to the Democratic People's Republic of Korea, 2018–2021, if tankers observed by Member States were laden at 90 per cent, 50 per cent and 30 per cent (barrels)



Source: Member States and the Panel.

Nampo oil terminal

38. Owing to the COVID-19 mitigation measures of the Democratic People's Republic of Korea, the country has imported substantially less oil in 2021 compared with previous years. Since March 2021, the Democratic People's Republic of Korea resumed conducting ship-to-ship transfers and unreported deliveries of refined petroleum at its ports.⁴³

39. Unreported petroleum imports accelerated in the second half of 2021. For instance, the *Vifine*,⁴⁴ now Democratic People's Republic of Korea-flagged and sailing as the *Un Hung* (International Maritime Organization (IMO) No. 9045962), delivered oil at Nampo in June and did so again three months later (see figure XVII). In October, the auxiliary oil terminal at Nampo was also used (see figure XVIII).

⁴¹ A think tank has separately concluded that the cap was breached in September 2021. See <https://rusi.org/explore-our-research/publications/commentary/north-koreas-oil-terminals-come-back-life-imports-breach-uncsc-cap>. The think tank has subsequently collected data suggesting that the trajectory of refined petroleum deliveries to ports of the Democratic People's Republic of Korea continued until the end of 2021, and that the cap would have been breached for the year even if vessels were only about 60 per cent laden. This unpublished material is still under review by the Panel.

⁴² S/2019/171 and S/2019/171/Corr.1, annex 2; S/2020/151, annex 1; and S/2021/211, figure VIa.

⁴³ Security Council resolution 2397 (2017), para. 5.

⁴⁴ S/2020/151, paras. 18, 19 and 32.

Other unreported refined petroleum deliveries at various ports of the Democratic People's Republic of Korea are listed in annex 33.

Figure XVII

The *Un Hung* at Nampo, 21 June and 21 September 2021



Source: (left) Maxar Technologies, annotated by the Panel; (right) Member State.

Figure XVIII

Tankers of the Democratic People's Republic of Korea at the auxiliary (left) and existing (right) Nampo oil terminal, 18 October 2021



Source: Maxar Technologies, annotated by the Panel.

Korea Bay as ship-to-ship transfer area

40. The border closures of the Democratic People's Republic of Korea altered the country's maritime trading pattern in other ways. Vessels continued to quarantine for lengthy periods outside the West Sea barrage area and other ports. Direct delivery⁴⁵ and other non-Democratic People's Republic of Korea-flagged tankers conducted petroleum transfers with vessels of the Democratic People's Republic of Korea within the country's exclusive economic zone and elsewhere, instead of delivering at the country's ports as they had before the pandemic. For instance, the *Diamond 8* (IMO No. 9132612), which had frequently delivered at ports of the Democratic People's Republic of Korea⁴⁶ since 2019, was observed in August 2021 in the country's exclusive economic zone with the designated *Chon Ma San* (IMO No. 8660313) (see figure XIX). The *Diamond 8* was last reported by the Panel in Chinese territorial waters in May 2021⁴⁷ transmitting on falsified identifiers. The *Chon Ma San* was observed outside the Nampo lock gate by mid-August 2021 (see figure XX), awaiting discharge of its cargo, and was moored at Nampo port by 16 September 2021.

Figure XIX

The *Diamond 8* and the *Chon Ma San*, 8 August 2021



Source: Planet Labs, annotated by the Panel.

⁴⁵ The Panel uses the term “direct delivery” to describe non-Democratic People's Republic of Korea vessels that have repeatedly delivered refined petroleum at ports of the Democratic People's Republic of Korea in the past. These vessels had delivered their illicit oil cargo on multiple occasions and have been proposed for designation. See Panel reports since 2020.

⁴⁶ [S/2020/151](#), [S/202/840](#), [S/2021/211](#) and [S/2021/777](#).

⁴⁷ [S/2021/777](#), paras. 44–47 and 50, and annexes 30a and 33a.

Figure XX

The *Chon Ma San* with other vessels of the Democratic People's Republic of Korea, West Sea barrage anchorage, 16 August 2021

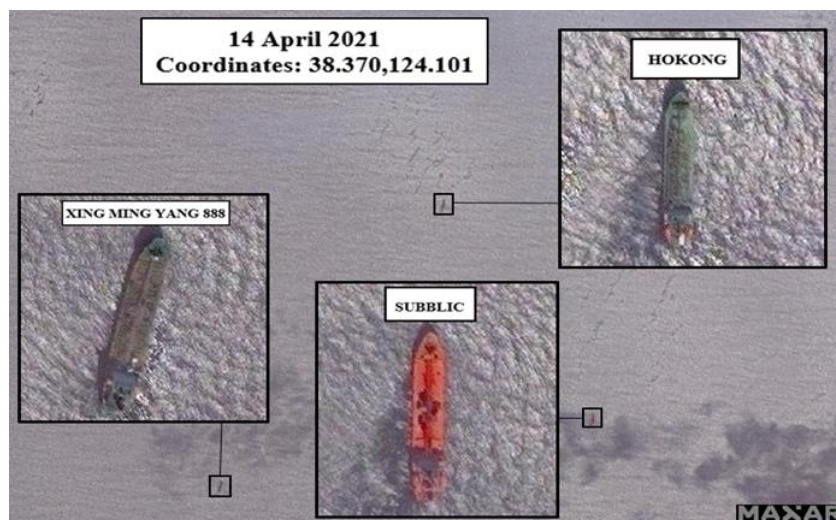


Source: Maxar Technologies, annotated by the Panel.

41. The example of the *Diamond 8* is not an isolated case. In April 2021, other direct delivery vessels were observed on satellite imagery in or near the exclusive economic zone of the Democratic People's Republic of Korea,⁴⁸ making this another area of interest to monitor for possible future illicit transfers (see figure XXI; see also annex 34).⁴⁹

Figure XXI

Democratic People's Republic of Korea-linked vessels, Korea Bay, 24 April 2021



Source: Maxar Technologies, annotated by the Panel.

⁴⁸ The stateless vessels *Xing Ming Yang 888* (International Maritime Organization (IMO) No. 8410847), *Subblic* (IMO No. 8126082), *Hokong* (IMO No. 9006758), *New Konk* (IMO No. 9036387) and *Unica* (IMO No. 8514306), which have been recommended by the Panel for designation, were observed in and around the exclusive economic zone of the Democratic People's Republic of Korea in 2021.

⁴⁹ S/2021/777, para. 57 and figure VII.

Patterns of behaviour of suspect vessels

42. Direct delivery vessels and other suspect vessels have exhibited similar patterns of behaviour involving: laundered vessel identities; shipyard(s) visited; waters frequented; and illicit ship-to-ship transfers with vessels of interest that themselves have sought to obfuscate their identities. These vessels also often share associated links through ship management, ownership⁵⁰ and/or third-party service providers, including shared corporate secretarial service entities. These entities and individuals are incorporated in third countries, many with a physical address in Asia. The pattern of behaviour of the stateless tanker *New Konk* (IMO No. 9036387) and related vessels of interest is an example for due diligence and compliance purposes. Another example, that of the direct delivery vessel *Unica* (IMO No. 8514306), is cited in annex 35.

Vessel identity laundering

Laundered digital profiles used by direct delivery vessels

43. In its previous reporting, the Panel identified sophisticated and elaborate techniques used to provide laundered identities for direct delivery vessels delivering refined petroleum to the Democratic People's Republic of Korea or its vessels.⁵¹ This is in contrast with the simpler form of digital tampering or spoofing of a vessel's automatic identification system (AIS) profile that can usually be detected on maritime databases.⁵²

44. As these vacated AIS profiles are no longer attached to an actual physical ship, more than one vessel can utilize the digital profiles. Table 3 lists the vacated identifiers investigated by the Panel that have been used by stateless direct delivery vessels (see also annex 36).

Table 3^a

Direct delivery vessels occasionally transmitting on fraudulent identifiers

<i>Name</i>	<i>IMO No.</i>	<i>Transmitting as</i>	<i>Maritime Mobile Service Identity (MMSI) No.</i>	<i>Last port State control inspected</i>
<i>New Konk</i>	9036387	<i>M0uson</i>	511444000	July 2018
		<i>F. Lonline</i>	312162000	
<i>Subblic</i>	8126082	<i>Hai Zhou 168</i>	667001397	May 2004
<i>Unica</i> ^b	8514306	<i>Liton</i>	457106000	No data
		<i>Haishun 2</i>	457400047	

Source: Panel.

^a The table is not exhaustive and represents what has been presented in the Panel's reports.

^b See annex 37.

New Konk as F. Lonline

45. The Panel previously reported on the *New Konk* as a feeder tanker that conducted a ship-to-ship transfer with the *Vifine* (now known as the Democratic People's Republic of Korea-flagged *Un Hung*) (IMO No. 9045962),⁵³ with the latter

⁵⁰ Unless otherwise stated, ownership refers to a vessel's registered owner listed with IMO.

⁵¹ S/2021/211, paras. 31–36 and annex 22; and S/2021/777, paras. 28–41 and annexes 28 and 29.

⁵² In essence, vessel identity tampering differs from identity laundering, with the latter exhibiting significant levels of sophistication, effort and coordination to create fraudulent shell identities in order to maintain a clean profile for a "dirty ship". See *Unmasked: Vessel Identity Laundering and North-Korea's Maritime Sanctions Evasion* (C4ADS, 2021).

⁵³ S/2020/151, paras. 18 and 32 and annex 8.

then delivering refined petroleum to the Democratic People's Republic of Korea. The Panel identified shared ownership, management and corporate registry associations between the two vessels,⁵⁴ indicating similar entities linked to sanctions-related activity (see annex 38). The *New Konk* itself subsequently began delivering illicit cargo directly to Nampo on a repeated basis,⁵⁵ and was recommended by the Panel for designation. To continue its illicit deliveries, the vessel then adopted different laundered vessel identifiers, occasionally sailing in 2020 as the *M0uson*⁵⁶ and more recently as the *F. Lonline* (see paras. 59–63).

46. Ongoing investigations into the *F. Lonline* suggest another case of complex vessel identity laundering involving the former Thailand-flagged *Smooth Sea 3* (IMO No. 8303616), which resulted in the creation of a fraudulent digital identity – the *F. Lonline* – used by suspect vessels such as the *New Konk* to swap into. This case of identity laundering also involved the same entities and shipyards/dockyards as those previously investigated by the Panel for laundering the identities (see annex 39a for details).

Use of shipyards to facilitate sanctions evasion activities

47. To further enhance its disguise following its identity launder, the *New Konk* was observed docked during the first half of 2021 at a shipyard owned by Fujian Yihe Shipbuilding Industry Co. Ltd./福建省易和船舶重工有限责任公司 (see figure XXII) and painted a different colour.

Figure XXII

The *New Konk* as the *F. Lonline* being repainted at Fujian Yihe, March–April 2021



Source: C4ADS; Planet Labs; and Airbus DS.

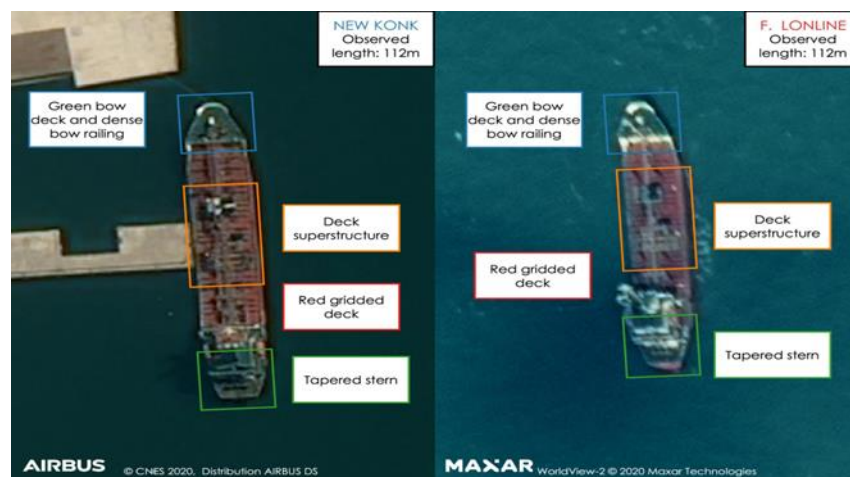
48. A visual analysis of the *New Konk* and the alleged Belize-flagged *F. Lonline* (MMSI No. 312162000) shows both vessels to be the same ship (see figure XXIII). Such action served to enable the *New Konk* to continue to sail, trade and violate sanctions, thereby facilitating sanctions evasion.

⁵⁴ Ibid., paras. 10–27 and 32.

⁵⁵ S/2020/840, paras. 27 and 28.

⁵⁶ S/2021/211, paras. 3–36 and annex 22.

Figure XXIII
Comparison of the *New Konk* and the *F. Lonline*, 2020



Source: Member State.

49. Direct delivery and other suspect vessels have been shown to use three shipyards along the Baima River in Fujian Province, China, for repair and refitting dating back several years.⁵⁷ These shipyards are located near Sansha Bay and Dongyin Island, where these vessels regularly loiter.⁵⁸

50. In 2021, the *New Konk* returned to shipyards along the Baima River before sailing out to conduct ship-to-ship transfers with tankers of the Democratic People's Republic of Korea. Investigations continue. Other vessels investigated by the Panel that also called at the Fujian Yihe shipyard included the *Unica*, the *Rui Hong 916* (IMO No. 9058866), the *Mouson 328* (IMO No. 9021198) and the *Hai Zhou 168* (IMO No. 8514045) (see annex 39b).

51. The Panel wrote to the relevant Member States, shipyards, entities and individuals that owned, managed or are associated with the facilitation of these vessels. Fujian Yihe Shipping Industry Co. Ltd. has yet to respond. Additional details on the cases and the responses are provided in annexes 39a and 39b.

Ship-to-ship transfers

New Konk and *Kum Jin Gang 3*

52. The *New Konk* departed the Fujian Yihe shipyard by 3 August 2021, transmitting on the MMSI No. of the suspected fraudulent Belize-flagged *F. Lonline* (312162000). The *New Konk* was anchored in mid-August in the Sansha Bay area, China, a location frequented by other direct delivery vessels. The vessel last transmitted an AIS signal on 21 August 2021. Approximately a month later, the *New Konk* conducted a ship-to-ship transfer in the Korea Bay with the Democratic People's Republic of Korea-flagged *Kum Jin Gang 3* (IMO No. 8791667) (see figure XXIV).

⁵⁷ Many of the direct delivery vessels investigated by the Panel were acquired and passed on to possible front company networks, before calling at specific shipyards along the Baima River, prior to smuggling refined petroleum to the Democratic People's Republic of Korea.

⁵⁸ S/2021/777, para. 50 and annex 33a.

Figure XXIV
The *New Konk* and the *Kum Jin Gang 3*, Korea Bay, 23 September 2021

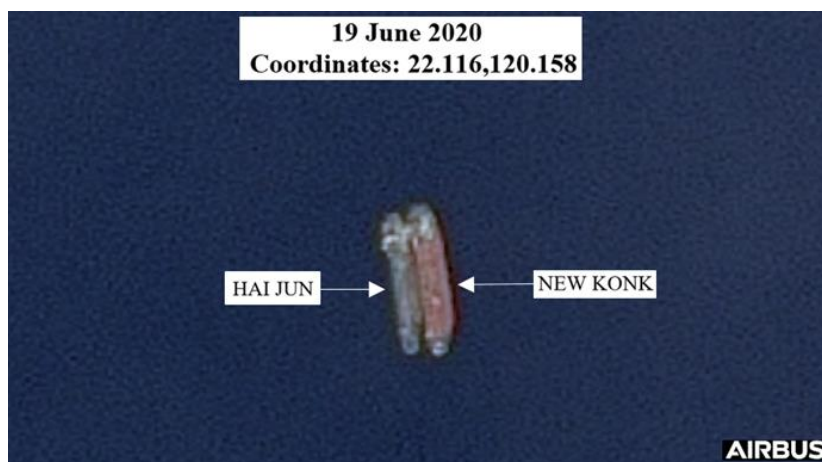


Source: Member State.

New Konk and Hai Jun

53. The *New Konk* obtained its oil cargo from other tankers. AIS tracking and satellite imagery indicated that, prior to its renovation work at the Fujian Yihe shipyard, the *New Konk* conducted a suspected ship-to-ship transfer from the then Cook Islands-flagged *Hai Jun* (IMO No. 9054896)⁵⁹ in waters south-west of Kaohsiung, Taiwan Province of China, on or around 19 June 2020 (see figure XXV). This location is associated with ship-to-ship transfers of oil for the Democratic People's Republic of Korea.⁶⁰ The *New Konk* was subsequently recorded at Songnim port, Democratic People's Republic of Korea, by 2 July 2020 delivering refined petroleum.⁶¹ Around the time of the suspected transfer, the *New Konk* transmitted on its known fraudulent *M0uson* identity.

Figure XXV
The *Hai Jun* and the *New Konk* (transmitting as the *M0uson*), 19 June 2020



Source: Airbus DS, annotated by the Panel.

⁵⁹ Deregistered by the Cook Islands on 1 December 2021 owing to the vessel's sale.

⁶⁰ S/2021/777, para. 57 and figure VIII.

⁶¹ S/2021/211, annex 27.

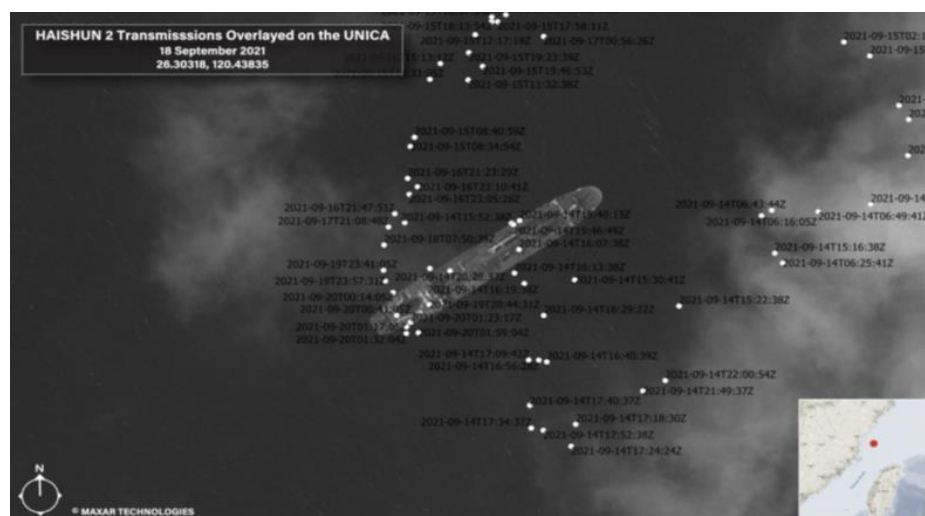
Hai Jun, Unica and Sky Venus

54. The meeting with the *New Konk* was not the only suspect ship-to-ship transfer conducted by the *Hai Jun*. The Panel's tracking of the *Hai Jun*'s activity⁶² since 2020 indicated that it also met with the *Unica* on several occasions while the latter was transmitting Mongolia-associated MMSI Nos. belonging to the *Liton* (IMO No. 8346395) and the fraudulent vessel identifier *Haishun 2* (see figure XXVI and annex 37).

55. Maritime tracking data also showed the *Hai Jun* met with the Palau-flagged *Sky Venus* (IMO No. 9168257) repeatedly in 2021 (see figure XXVII). The *Sky Venus* is being investigated by the Panel for multiple ship-to-ship transfers of refined petroleum destined for the Democratic People's Republic of Korea (see paras. 64–73).

Figure XXVI

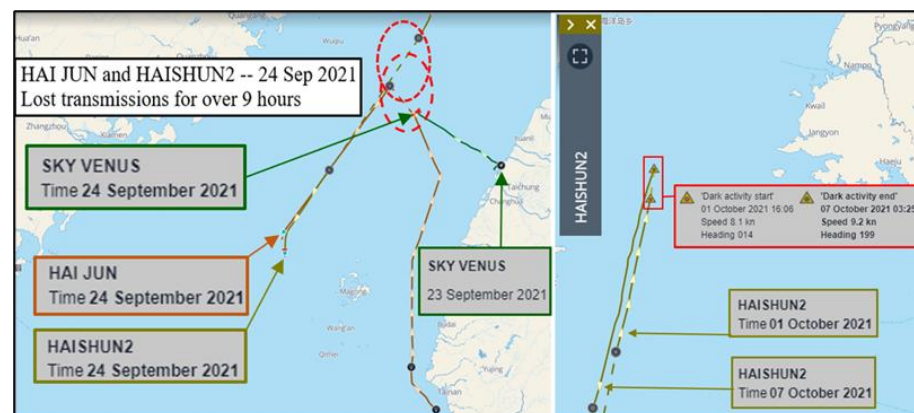
The *Unica* transmitting as the *Haishun 2*, Dongyin Island, 18 September 2021



Source: Member State.

Figure XXVII

The *Sky Venus*, the *Hai Jun* and the *Unica* (as the *Haishun 2*), 23–24 September 2021 (left); and the *Unica* near the exclusive economic zone of the Democratic People's Republic of Korea, 1–7 October 2021 (right)



Source: Windward, annotated by the Panel.

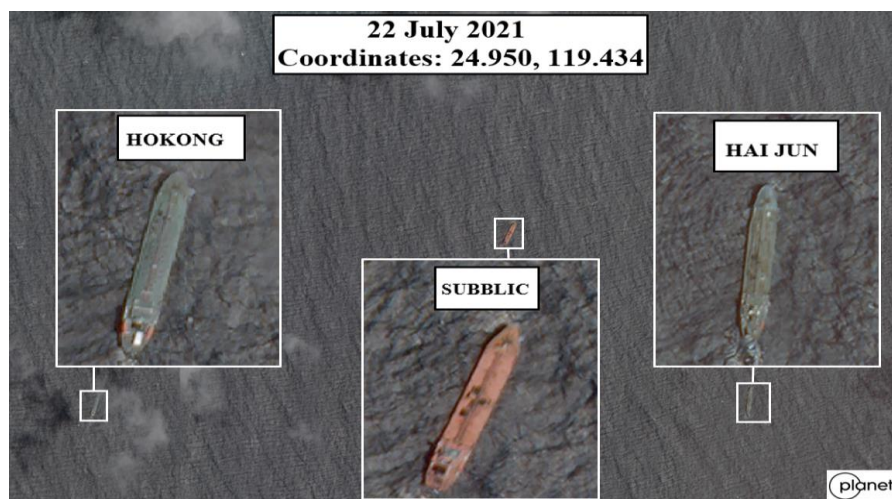
⁶² Based on AIS transmissions.

56. The *Hai Jun* has been observed frequenting waters in Sansha Bay, Dongyin and Wuqiu Islands (see figure XXVIII), where other direct delivery and suspect vessels have been present (see annexes 40 and 41). In addition, the *Hai Jun* is suspected to have conducted more ship-to-ship transfers to direct delivery vessels transmitting under fraudulent identifiers in 2021. Investigations remain ongoing.

57. The Panel wrote to the relevant Member States and entities involved. The Cook Islands confirmed that the vessel was deleted from its ship registry on 1 December 2021 owing to the vessel's onward sale.⁶³ Mongolia has yet to respond. Ruicheng (HK) Shipping Co. Ltd., the vessel's registered owner, responded through the ship registry that the *Hai Jun* "has not engaged in any illegal operation or had any dealings with all the ships involved in the Democratic People's Republic of Korea". It also stated that "in order to save operating costs, the vessel often stops supplying power during non-operating conditions". The Panel notes that transmissions were dropped during the investigative period of interest, including in open waters. Furthermore, since 4 December 2020, its ship insurance has not been renewed and other ship certification remained overdue. Details are provided in annex 42a–e.

Figure XXVIII

The *Hai Jun* and direct delivery vessels near Wuqiu Island, 22 July 2021



Source: Planet Labs, annotated by the Panel.

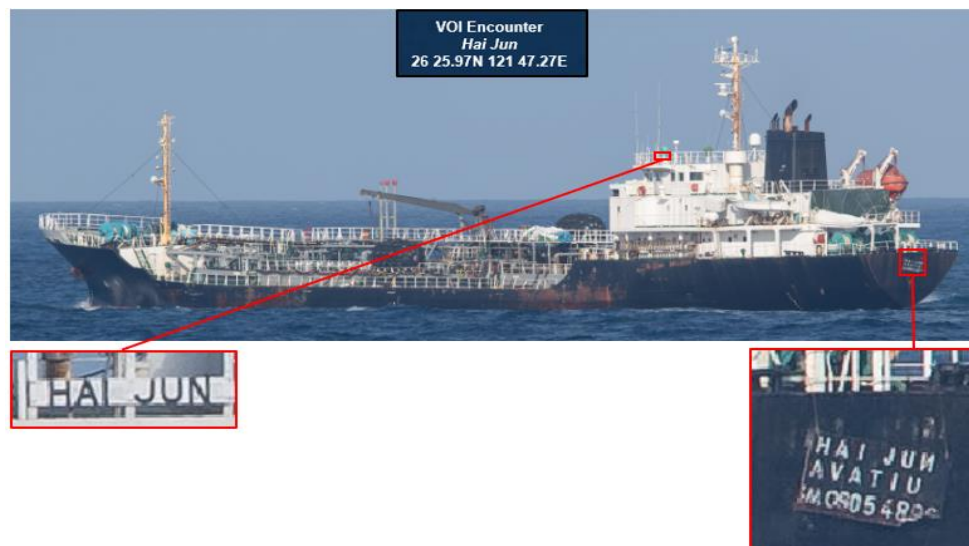
Note: The *Hokong* has been demolished (see annex 43).

Physical tampering of vessel identity

58. The *New Konk* was not the only suspect ship that sought to conceal its identity. The *Hai Jun* was also photographed employing such subterfuge, using removable identifiers that are against IMO regulations (see figure XXIX). Annexes 44, 45a and 45b contain, respectively, details of evasion methods previously identified by the Panel, and of tankers of the Democratic People's Republic of Korea obfuscating their identities.

⁶³ Currently Togo-flagged with Ruicheng Shipping as the DOC (document of compliance) holder since December 2020. IHS Markit.

Figure XXIX
Photograph of the *Hai Jun*, East China Sea, 3 October 2020



Source: Member State, annotated by the Panel.

Facilitators

New Konk

59. Third-party individuals and entities are used by the Democratic People's Republic of Korea to enable suspect vessels to conduct its illicit trade. The *New Konk* was using a laundered vessel identity, the *F. Lonline*, when it departed the Baima River in Fujian, China, in August 2021. Ongoing investigations indicated that the identity of the former Thailand-flagged *Smooth Sea 3* had been laundered, resulting in the creation of a suspected fraudulent identity – the *F. Lonline*. The Thailand-flagged *Smooth Sea 30* (IMO No. 9892262), a reportedly newly built vessel, is suspected to be the former *Smooth Sea 3*.

60. The management and ownership history of the *F. Lonline* is connected to other vessels previously investigated by the Panel that have likewise laundered their identity. While currently listed as owned and managed by Hong Kong-incorporated Brilliant Trade International since October 2019,⁶⁴ the *F. Lonline* was owned and operated by Smooth Sea Co. Ltd., sailing as the *Smooth Sea 3* from June 2004 to June 2019, before it was transferred to Rui He HK Marine Co. Ltd.,⁶⁵ to sail under a different flag and ship name. The vessel was passed on a month later to Cheng Xin Shipping Ltd., reflagged under Belize and renamed the *F. Lonline* three months later. The Hong Kong-incorporated Cheng Xin Shipping Ltd.⁶⁶ has been associated with the Panel's investigation into the *Smooth Sea 22* in a case of suspected vessel identity laundering.⁶⁷ The *New Konk*, the *Mouson 328* and the *Hai Zhou 168*⁶⁸ all visited the Fujian Yihe shipyard and departed transmitting fraudulent new digital identities.

⁶⁴ IMO Global Integrated Shipping Information System, as of January 2022.

⁶⁵ Rui He HK Marine Co. Ltd. also historically owned and managed the *Unica*, another direct delivery vessel, before ownership was transferred to the British Virgin Islands-incorporated Prospera Pacific International Company Limited. Information from the IMO Global Integrated Shipping Information System.

⁶⁶ This entity typically holds on to a vessel for a few months.

⁶⁷ S/2021/777, paras. 29–37 and annex 28.

⁶⁸ On the vessel identity laundering of the *Smooth Sea 28/Hai Zhou 168/Smooth Sea 22*, Thailand provided the Panel with vessel dimensions. See also annex 46b.

61. The Panel wrote to Thailand, the relevant flag registries, entities that own or operated the vessels and Fuijan Yihe.

62. Thailand has yet to respond. In other correspondence, Thailand confirmed that the Thailand-registered Smooth Sea Co. Ltd. transferred ownership of the *Smooth Sea 3* to Cheng Xin Shipping Ltd. on 18 July 2019. The Panel continued to follow up with Cheng Xin Shipping Ltd. The company has yet to respond.

63. See annexes 46a and 46b for additional details and responses from flag registries and entities.

Sky Venus and Sunward

64. The Panel is investigating suspected sanctions evasion involving Cheng Chiun Shipping Agency Co. Ltd.,⁶⁹ located in Kaohsiung, Taiwan Province of China. According to information from a Member State, the company operates vessels, including the Palau-flagged *Sky Venus* (IMO No. 9168257) and the then Panama-flagged *Sunward* (IMO No. 8920115), that transferred oil via illicit ship-to-ship transfers to tankers of the Democratic People's Republic of Korea. Cheng Chiun Shipping Agency Co. Ltd. used a series of shell companies to facilitate payments related to the ship-to-ship transfers. The Panel continues to investigate other cases involving the company.

65. The Panel highlights the following evasion techniques used to allegedly procure and deliver illicit oil to the Democratic People's Republic of Korea.

Use of shell companies

66. Companies involved in illicit ship-to-ship transfers of refined petroleum to the Democratic People's Republic of Korea use a series of shell companies to conduct payments for shipments allegedly destined for the Democratic People's Republic of Korea. Two such companies owned by Cheng Chiun Shipping Agency Co. Ltd., the Seychelles-registered Ocean Energy International Corp. that owns and operates the *Sky Venus* and the Samoa-incorporated Wills International Co. Ltd. that operated the *Sunward*,⁷⁰ served as aliases for Cheng Chiun Shipping, as with Everway Global Ltd.

Oil supply

67. Investigations into the *Sunward*, the *Sky Venus* and various direct delivery and suspect vessels showed that much of the petroleum products delivered to the Democratic People's Republic of Korea are sourced from oil terminals across East Asia and delivered via ship-to-ship transfers. Sanctions breakers exploit the legitimate business of ship-to-ship transfers⁷¹ to smuggle oil to the Democratic People's Republic of Korea (see annex 47).

Multi-stage oil transfers

68. The *Sunward* and the *Sky Venus* were used as mother ships to load refined petroleum from Taichung port before allegedly delivering their cargo to tankers of the Democratic People's Republic of Korea through a chain of ship-to-ship transfers on the occasions identified by the Panel (see figure XXX). The mother ships and their facilitators thereby deceptively appear one or several steps removed from the oil transfers to suspect vessels. The Panel previously reported on the use of smaller vessels favoured by the Democratic People's Republic of Korea as intermediate

⁶⁹ 程群船務代理有限公司.

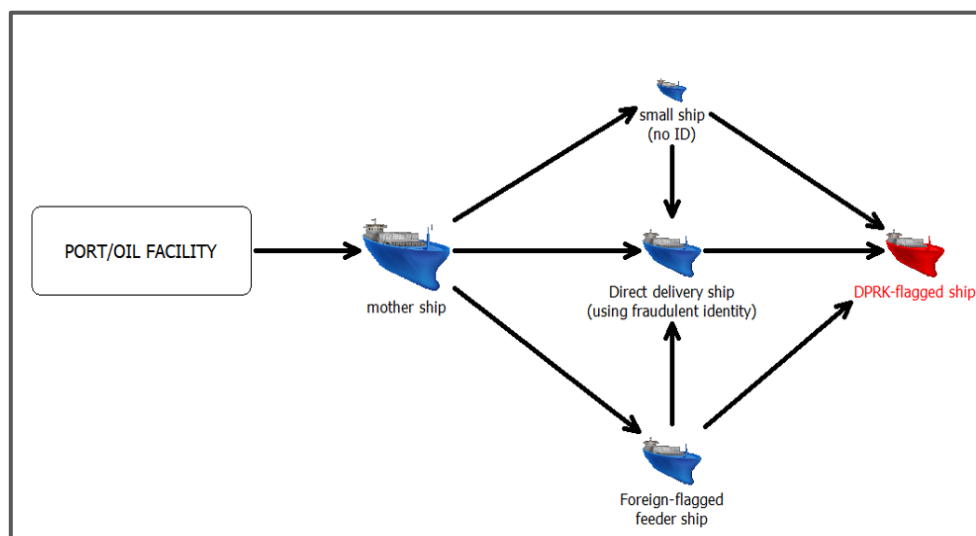
⁷⁰ Ibid.

⁷¹ The free-on-board practice ends liability for cargo transfers from the seller to the buyer when oil cargo crosses the guardrails from one vessel to another during a ship-to-ship transfer. See also [S/2019/171](#) and [S/2019/171/Corr.1](#), para. 11 and annex 7.

vessels to receive the oil cargo, as they are more difficult to track and identify, often lacking IMO numbers. These vessels in turn transfer the oil to the Democratic People's Republic of Korea or to Democratic People's Republic of Korea-associated vessels.

Figure XXX

Multi-stage oil transfers destined for the Democratic People's Republic of Korea



Source: The Panel.

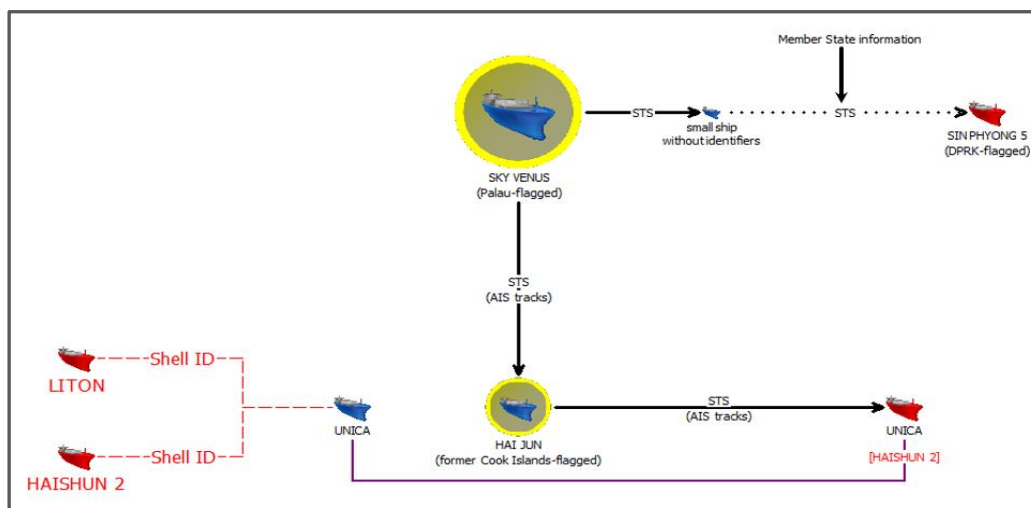
69. For example, between 8 and 10 August 2021, the *Sky Venus* repeatedly transferred oil to smaller unidentified vessels⁷² over consecutive days, with the smaller vessels in turn transferring refined petroleum to the same Democratic People's Republic of Korea-flagged vessel, the *Sin Phyoung 5* (IMO No. 8865121) (see figure XXXI). The *Sin Phyoung 5* itself has separately been investigated by the Panel for its onward sale to the Democratic People's Republic of Korea.⁷³

70. A Member State has assessed that Cheng Chiun Shipping Agency Co. Ltd. “was aware of the sanctions evasion activity and attempted to cover up their activities”.

⁷² Observed by a Member State.

⁷³ S/2021/777, paras. 76–79 and annex 38.

Figure XXXI
Illicit transfers of refined petroleum



Source: The Panel.

71. Cheng Chiun Shipping Agency Co. Ltd., through a legal firm, has denied that it “ever transported refined petroleum product(s) to Democratic People’s Republic of Korea-related vessels through [its] oil tankers *Sunward* and *Sky Venus*”, and that the company served as purchasing agent and shipping agent for gasoil customers near Fujian Province, China. According to the company, a Mr. Liu from a Hong Kong-incorporated company was the only person to whom it sold gasoil during the periods of interests requested by the Panel. The oil was transferred to “inland ships” and “fishing boats” nominated by Mr. Liu. No ship identifiers were provided to receive the gasoil. Cheng Chiu Shipping stated that “Mr Liu always sends his ships which had the signs and numbers shown on the ships covered”. These receiving ships were instead recognized with a Chinese yuan paper bill that they would present, whose serial numbers would match against those provided by Mr. Liu.

72. The Panel continues to review the information provided by the company.

73. Additional details on the present section are contained in annex 48.

Vessel onward sale

74. The Panel has documented numerous cases where vessels ultimately acquired by the Democratic People’s Republic of Korea did not update ownership or management history. The Democratic People’s Republic of Korea exploits the practice of using third-party brokers and entities to obscure its presence in such transactions. It also utilizes front companies to complicate vessel sale scrutiny. Delayed or non-existent reporting, along with throw-away or erroneous email contact information, have been techniques actively exploited by those seeking to obfuscate sanctions evasion.

75. The Panel highlights the sales of the *Rui Hong 916* (IMO No. 9058866) and the *Ri Hong* (IMO No. 9162318) as examples (see annexes 49 and 50).

Vessel acquisition**Su Ryong San and Ocean Sky**

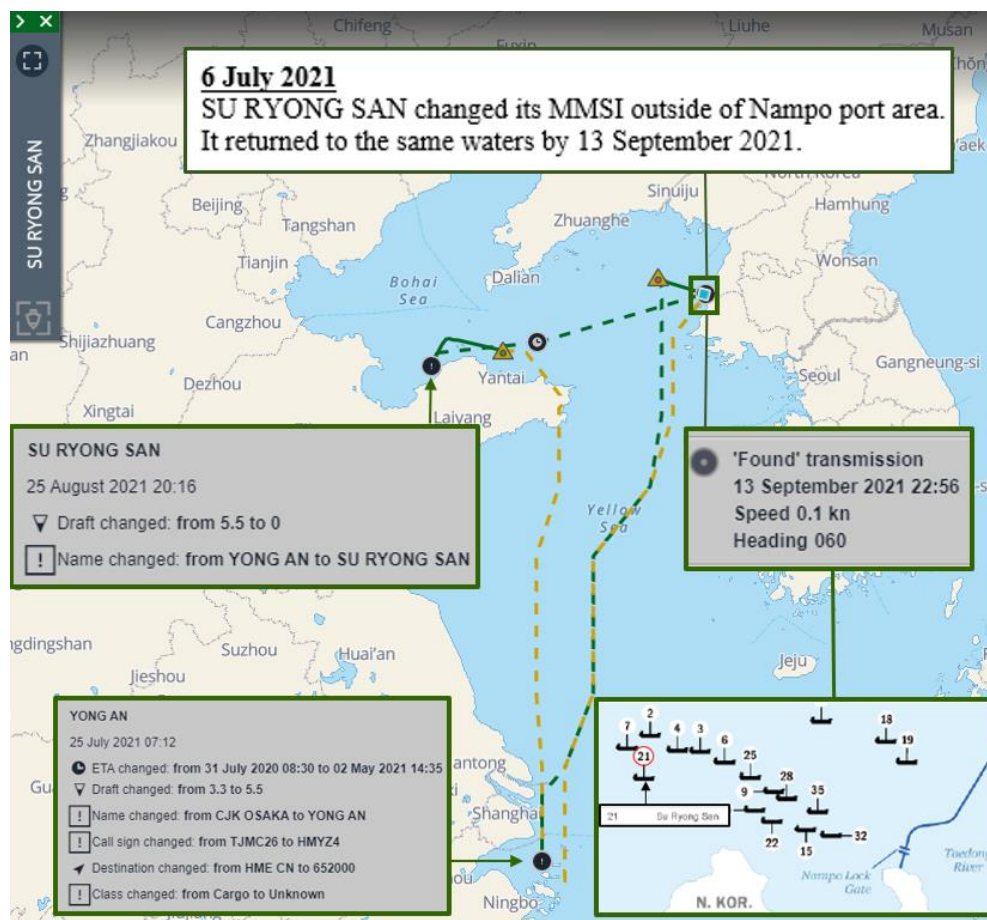
76. The Democratic People's Republic of Korea continued to add tankers and cargo vessels to its fleet in contravention of Security Council resolutions. The Panel first identified the newly transitioned Democratic People's Republic of Korea-flagged *Su Ryong San* (IMO No. 9016430) based on anomalous AIS transmissions (see figure XXXII). The Panel also traced HongKong Great Fortune Development Co. Limited (香港吉運(運)發(發)展有限公司), the vessel's last registered owner before it came under the fleet of the Democratic People's Republic of Korea.⁷⁴ Details and responses are provided in annex 51.

77. The Hong Kong-incorporated Asia Ocean Shipping Ltd. (亞洲遠洋運輸有限公司) is suspected by a Member State of having facilitated the suspected transfer at sea of the Sierra Leone-flagged *Ocean Sky* (IMO No. 9125308) to the Democratic People's Republic of Korea. According to maritime records, the vessel's current owner remains Asia Ocean Shipping Ltd.⁷⁵ The *Ocean Sky*, like some other tankers and cargo vessels that the Panel previously investigated, last transited Shidao, China, before arriving in the Democratic People's Republic of Korea. Details and responses are found in annexes 52a and 52b.

⁷⁴ IMO Global Integrated Shipping Information System.

⁷⁵ As at 31 December 2021.

Figure XXXII
Voyage of the *Su Ryong San*, July–September 2021



Source: Windward, annotated by the Panel.

Fishing rights transfer

78. The Panel is continuing its investigations into the sale or transfer by the Democratic People's Republic of Korea of fishing rights, which is prohibited by paragraph 9 of Security Council resolution 2371 (2017), as further clarified by paragraph 6 of Council resolution 2397 (2017). According to a Member State's information, the sale and/or transfer of fishing rights by the Democratic People's Republic of Korea in violation of the resolutions continued in 2021. A Member State identified at least 428 vessels entering waters of the Democratic People's Republic of Korea between April and June 2021, with some of the vessels departing from Shandong and Liaoning Provinces of China (see annex 53a).⁷⁶ The Panel wrote to China requesting further information on the vessels' identification, related entities, home ports and fishing activities in waters of the Democratic People's Republic of Korea. China replied that "China's fishing authority and relevant coastal provinces have taken measures to strengthen management and demanded the fishing companies and fishermen to strictly follow the requirement of Security Council resolutions" (see annex 53b).

⁷⁶ S/2021/777, para. 82.

79. The Member State observed that the volume of the fishing vessels of a third country moving into waters of the Democratic People's Republic of Korea has substantially decreased (see table 4) and the size of the permitted fishing areas in waters of the Democratic People's Republic of Korea was reduced in 2021 (see annex 53c).

Table 4

Number of third-country fishing vessels observed moving into waters of the Democratic People's Republic of Korea

	2017	2018	2019	2020	2021
No. of fishing vessels	1 711	2 611	1 882	2 389	554
Initiated date of movement each year	2 May	18 April	23 April	10 May	21 April

Source: Member State.

**Maritime exports from the Democratic People's Republic of Korea
Coal exports by vessels of the Democratic People's Republic of Korea**

80. From September 2020 to August 2021, a Member State assessed that the Democratic People's Republic of Korea exported around 552,400 metric tons of its coal in at least 64 shipments to Chinese territorial waters and ports⁷⁷ (see annexes 54–61). No coal was exported between October 2020 and January 2021 given the country's COVID-19 restrictions, which included significant quarantine periods for its coal-exporting vessels. The Panel continued to monitor vessels along the Taean River where coal has been loaded for export. Since April 2021, many of the vessels of the Democratic People's Republic of Korea observed laden with coal departed the river over the ensuing months, several of which travelled repeatedly to Ningbo-Zhoushan waters (see figure XXXIII).

⁷⁷ Two experts are of the view that this information needs to be further corroborated.

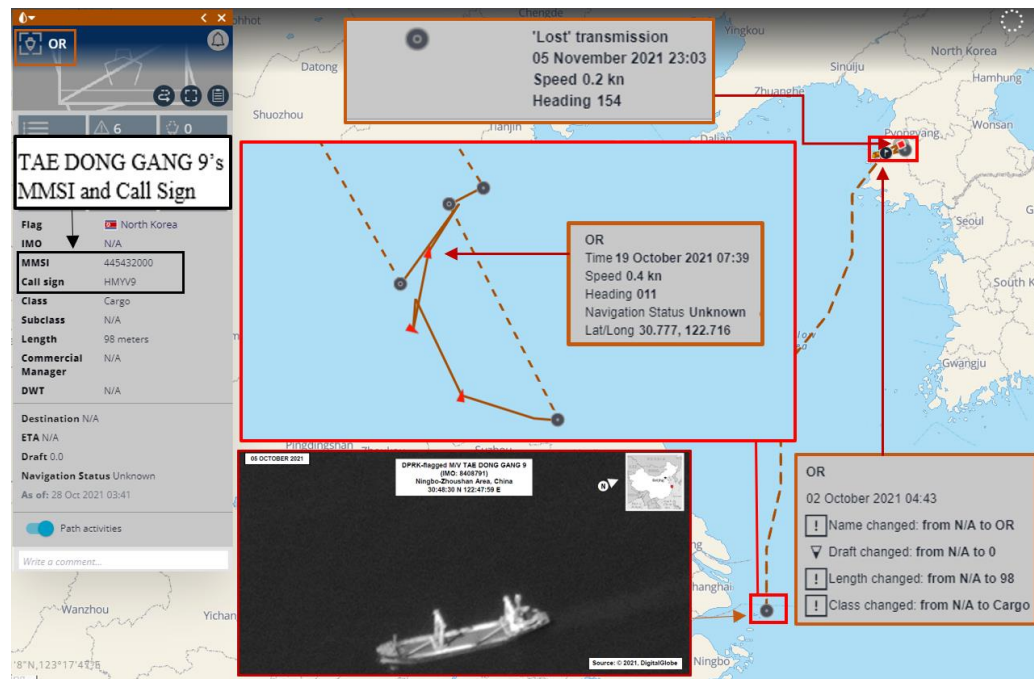
Figure XXXIII
Vessels along Taean River, April and November 2021



Source: Member State (top), and Maxar Technologies (bottom), annotated by the Panel.

81. For example, the *Tae Dong Gang 9* (IMO No. 8408791), which was at Taean on 4 April 2021 (see figure XXXIV), was back by 5 November 2021 after transiting to Ningbo-Zhoushan waters in October. The vessel also manipulated its identifiers sailing as the *Or* and transmitted only briefly during its entire trip (see figure XXXIV).

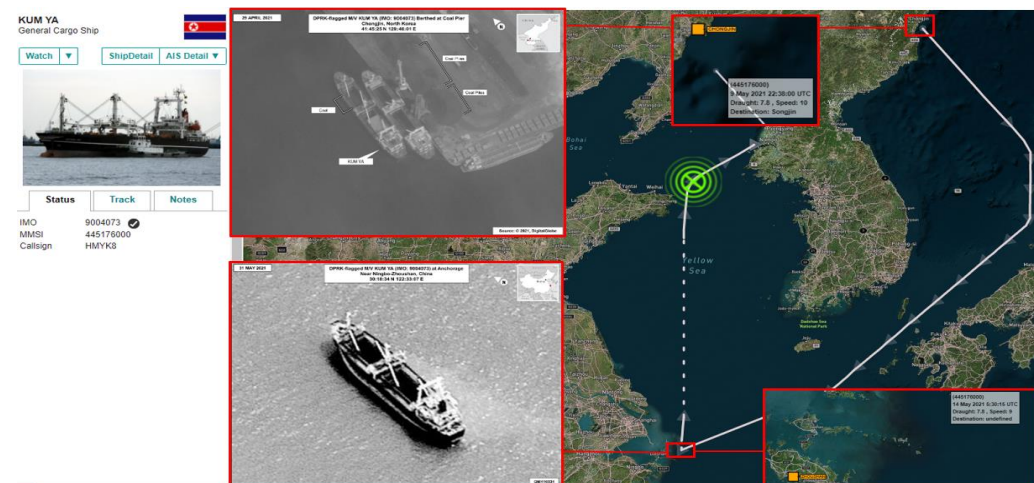
Figure XXXIV
Voyage of the *Tae Dong Gang 9*, October–November 2021



Source: Windward, annotated by the Panel; and Member State (satellite imagery).

82. Vessels of the Democratic People's Republic of Korea such as the *Kum Ya* (IMO No. 9004073) also departed from other ports on the eastern coast of the Democratic People's Republic of Korea to export coal (see figure XXXV). Other examples of coal exported to Ningbo-Zhoushan waters between the months of May and September 2021 are provided in annex 55.

Figure XXXV
Kum Ya storyboard on exporting coal, April–May 2021

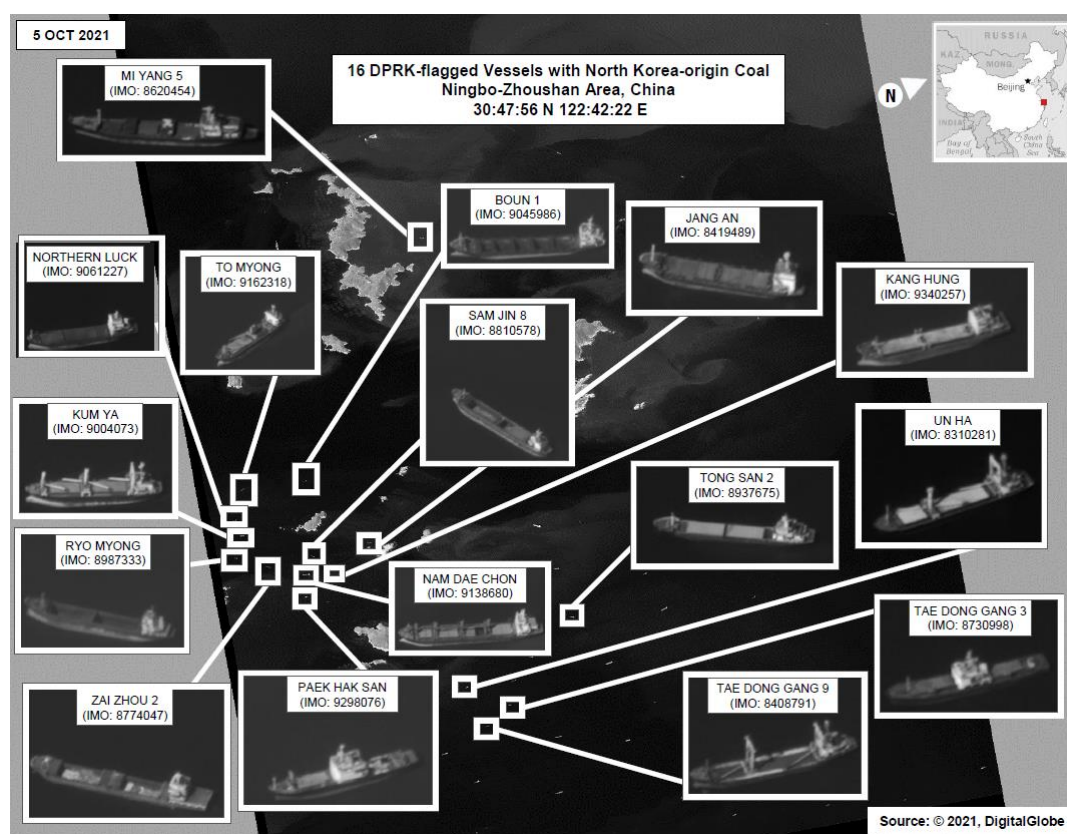


Source: IHS Markit Sea-web, annotated by the Panel; and Member State (satellite imagery).

83. The Panel continued to seek the assistance of China on the recurring presence of multiple vessels of the Democratic People's Republic of Korea in Ningbo-Zhoushan waters (see figure XXXVI) to export coal through ship-to-ship transfers, including information on any cargo offloaded by vessels of the Democratic People's Republic of Korea through ship-to-ship transfer in those waters, the receiving vessels' identifiers, and entities and individuals that own, operate and procure any of the cargo from the vessels of the Democratic People's Republic of Korea and the relevant shipping documentation and financial transactions.⁷⁸ All the vessels were reported by a Member State to be laden with coal originating from the Democratic People's Republic of Korea. Some of the vessels remained for a period of time in the Ningbo-Zhoushan area (see annex 56).

Figure XXXVI

Democratic People's Republic of Korea-flagged vessels, Ningbo-Zhoushan, China, 5 October 2021



Source: Member State.

84. The Panel sought information from China on each of the vessels of the Democratic People's Republic of Korea present in Chinese waters, the identifiers under which they were transmitting, any ship-to-ship transfers conducted in Chinese waters, their cargo offloaded, the receiving vessels' identities along with their owners and operators, details of the individuals or entities that imported the coal from the Democratic People's Republic of Korea, and the relevant shipping and financial

⁷⁸ Pursuant to paragraph 8 of Security Council resolution [2371 \(2017\)](#), paragraph 11 of resolution [2375 \(2017\)](#) and paragraphs 9 and 20 of resolution [2397 \(2017\)](#).

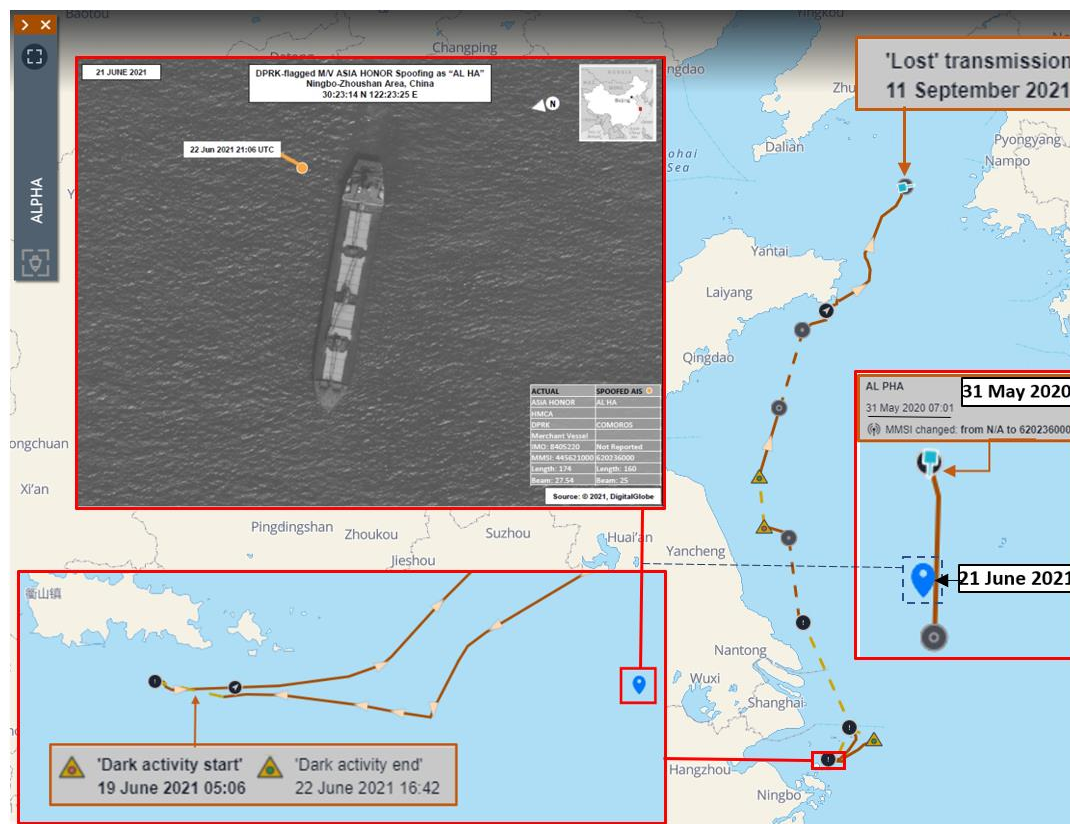
records. The Panel requested the same information for the various other vessels in subsequent paragraphs on which the assistance of China was sought.

85. China responded that “for vessels *ZAI ZHOU 2*, *TO MYONG*, *SAM JIN 8*, *NAN DAE CHON*, *KANG HUNG* and *UN HA*, they entered Yantai port empty-loaded, and left the port after loading chemical fertilizer, pesticide and other agricultural supplies”. For the remaining Democratic People’s Republic of Korea-flagged vessels shown in figure XXXVI, China had “no record of their port calls in China”.

86. Vessels of the Democratic People’s Republic of Korea also continued to transmit falsified identifiers that were identified in previous reports of the Panel (see annex 57). The *Asia Honor* (IMO No. 8405220), for instance, transmitted in almost the same location in Ningbo-Zhoushan waters as when it first created its false AIS profile over a year ago (see figure XXXVII).

Figure XXXVII

The *Asia Honor* transmitting fraudulent identifiers in Chinese waters over time



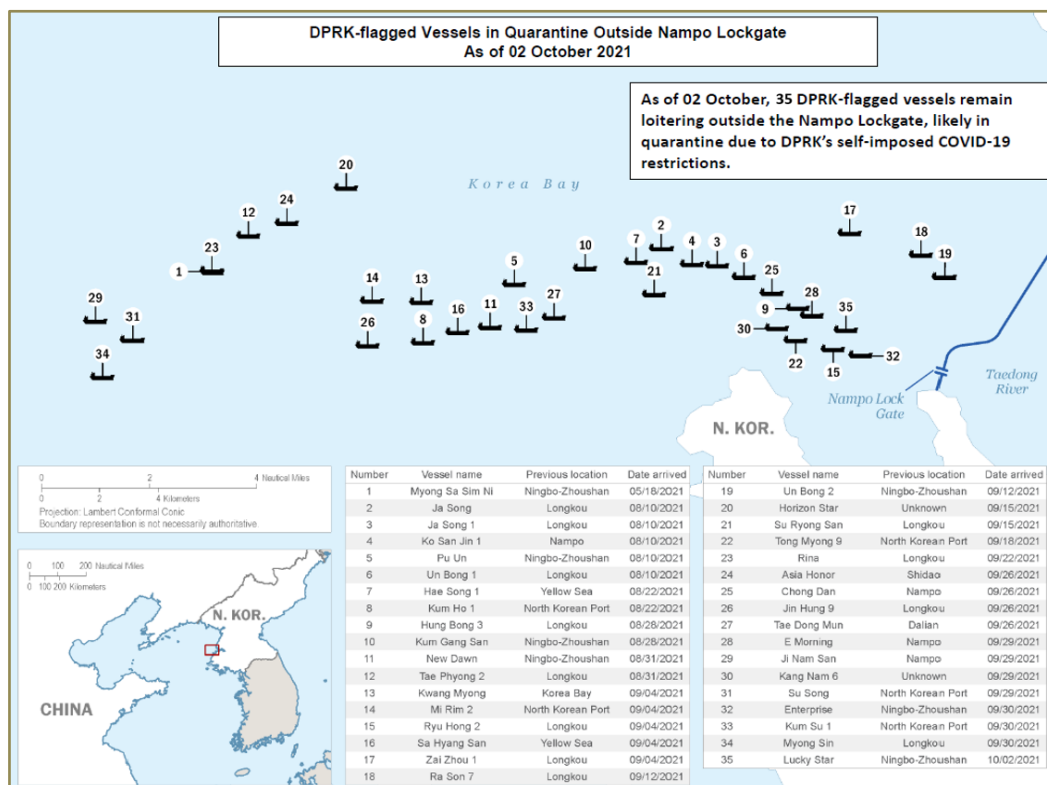
Source: Windward, annotated by the Panel; and Member State (inset imagery).

87. The Panel asked China about the *Asia Honor*. China responded that there was no record of port calls in China for the *Asia Honor*.

88. As at 2 October 2021, 35 vessels of the Democratic People’s Republic of Korea were anchored in quarantine outside the Nampo lock gate (see figure XXXVIII). A number of the vessels were at Ningbo-Zhoushan. Several of the vessels were featured in the Panel’s previous report as being at Ningbo-Zhoushan on 5 April 2021 exporting coal.⁷⁹

⁷⁹ S/2021/777, figure XII.

Figure XXXVIII
Vessels in quarantine, West Sea barrage, Democratic People's Republic of Korea



Source: Member State.

89. The Panel asked China about the presence of the vessels of the Democratic People's Republic of Korea shown in figure XXXVIII in 2021, including which vessels of the Democratic People's Republic of Korea involved in the transportation of humanitarian or other cargo had also been involved in the transportation of coal originating from the Democratic People's Republic of Korea and had called at Chinese ports. China responded that the "record of port calls in China of 35 vessels including *MYONG SA SIM NI* and *JA SONG* is not accessible, as no IMO information was provided". The Panel notes that the IMO numbers of these specific Democratic People's Republic of Korea-flagged cargo vessels are all registered with and listed on the IMO website. Several of the vessels were reported in previous reports of the Panel.⁸⁰

Democratic People's Republic of Korea-flagged coal-exporting vessels at Chinese ports

Democratic People's Republic of Korea-Ningbo-Zhoushan waters-Chinese ports-Democratic People's Republic of Korea

90. Some of the vessels that exported coal in Ningbo-Zhoushan waters then transited to Chinese ports elsewhere, including Longkou and Laizhou ports. These included the Democratic People's Republic of Korea-flagged vessels *Su Ryong San* (see also para. 76), *Pho Phyeong* (IMO No. 8417962), *Samjin 8* (IMO No. 8810578), *Kang Hung* (IMO No. 9340257) and *Un Ha* (IMO No. 8310281) that transited from Ningbo-Zhoushan waters to Longkou port; and the *To Myong* (formerly known as the *Ri Hong*) (IMO No. 9162318) and the *Northern Luck* (IMO No. 9061227) that transited from Ningbo-Zhoushan waters to Laizhou port (see annex 58). The Panel has previously

⁸⁰ For example, the *Myong Sa Sim Ni* (IMO No. 9010058). as reported in [S/2021/777](#), paras. 89–92 and figures XIII and XIV.

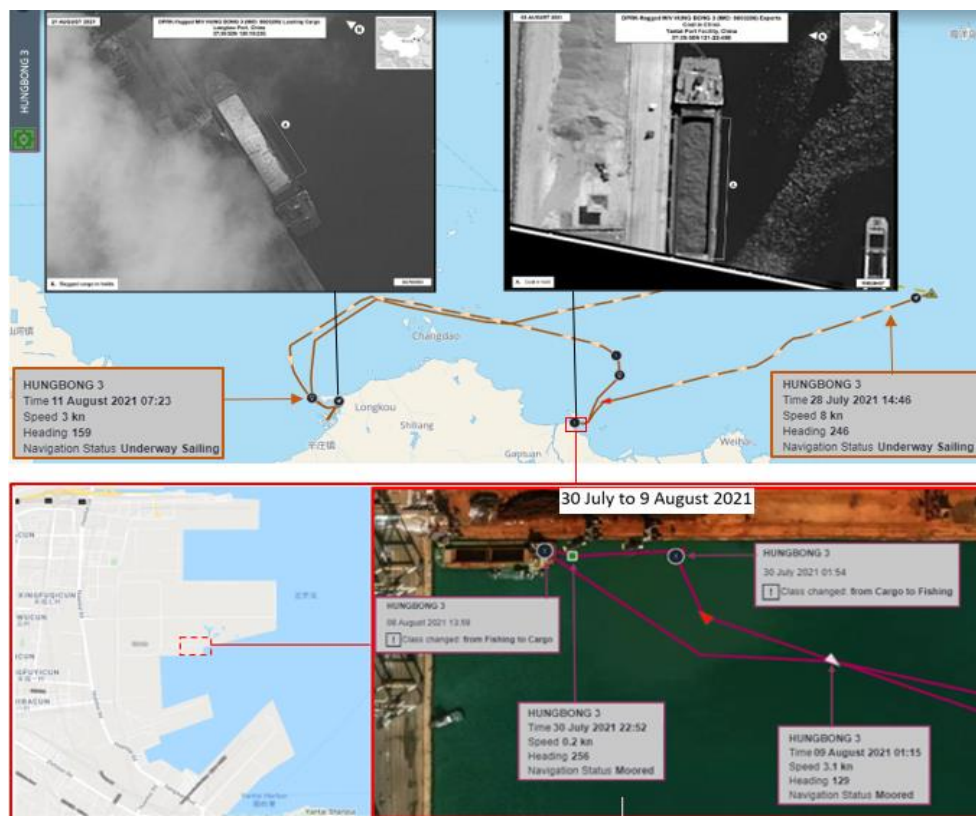
investigated vessels of the Democratic People's Republic of Korea that exported coal in Ningbo-Zhoushan waters and imported humanitarian aid cargo at Longkou port in a single round trip.⁸¹ China responded that the “*PHO PHYONG* entered Yantai port empty-loaded in September 2021, and left the port by loading general cargo in November 2021”.

Democratic People's Republic of Korea-Chinese ports-Democratic People's Republic of Korea

91. Some coal exports were also delivered directly to ports in China by Democratic People's Republic of Korea-flagged vessels, based on a Member State's information. The Panel's AIS tracking showed that the *Hung Bong 3* (IMO No. 8603286) departed Nampo on 26 July 2021 for Yantai port, China, where it was observed pier-side on 2 August 2021 carrying coal. The vessel then proceeded to Longkou and was observed pier-side 10 days later loaded with what appears to be white-toned bagged cargo (see figure XXXIX) before departing. A similar case involving the *Tae Phyong 2* (formerly known as the *Ming Zhou 6*) (IMO No. 8602763), a vessel that the Panel has investigated for exporting coal originating from the Democratic People's Republic of Korea, is described in annex 59.⁸²

Figure XXXIX

Vessel of the Democratic People's Republic of Korea exporting coal and importing other cargo, Yantai, China, July–August 2021



Source: Windward, IHS Market, Planet Labs, annotated by the Panel; inset imagery, Member State (top). (Bottom imagery as representative of location, not on actual date of AIS signal overlay.)

⁸¹ S/2021/777, paras. 100 and 101; and S/2021/211, paras. 58, 63 and 64.

⁸² S/2021/211, paras. 70–72; and S/2021/777, paras. 80 and 102 and annex 39.

92. The Panel asked China for information, including the relevant shipping documentation, on any banned cargo offloaded and loaded either pier-side or through ship-to-ship transfers at the respective Chinese ports. China responded that the *Hung Bong 3* “entered Yantai port empty-loaded in March and July 2021 respectively, and left the port by loading fertilizer and other agricultural supplies in March and August respectively”. Investigations continue.

Supply chain networks

HongKong Great Fortune Development Co. Limited

93. Further to facilitating the acquisition of the *Su Ryong San*, a Member State alleges that HongKong Great Fortune Development Co. Limited has also invested in several ships of the Democratic People’s Republic of Korea, including conducting joint maintenance and operation work; been involved in other coal imports from the Democratic People’s Republic of Korea to China; engaged in barter trade in the export of fertilizer to the Democratic People’s Republic of Korea; and sold and shipped banned items to the Democratic People’s Republic of Korea, including steel, fuel and transportation and construction-related vehicles.⁸³ The company is registered on the Hong Kong Corporate Registry to Li Xiangmin (李祥民) of Liaoning Province, China.⁸⁴ Barter trade avoids the use of the international financial system to further evade sanctions.

94. Information obtained by the Panel from several sources indicated that the Democratic People’s Republic of Korea-based Yonggwang Furniture and Building Materials Corporation (영광가구건설회사) was involved in the export of 100,000 to 200,000 tons of coal originating from the Democratic People’s Republic of Korea to HongKong Great Fortune Development Co. Limited. Of this amount, the Member State provided three examples where Democratic People’s Republic of Korea-flagged vessels were alleged to have transported the coal: the *Jang Un* (IMO No. 8822260) with approximately 20,000 metric tons;⁸⁵ the *Kum Song 7* (IMO No. 8739396) with approximately 5,000 metric tons; and the *Ryon Hwa 3* (IMO No. 8312227) with approximately 6,000 metric tons. The Panel’s AIS analysis of the vessels indicated that the *Ryon Hwa 3* was sailing in Chinese territorial waters in 2021. AIS data also showed that the *Ryon Hwa 3* visited the Longkou port area between 18 and 27 March. By August, the vessel was exporting coal in Ningbo-Zhoushan waters, where the ship ran aground on 18 September (see figure XLa).

⁸³ The Panel previously reported on construction-related vehicles exported to the Democratic People’s Republic of Korea (see S/2021/211, paras. 68 and 69 and annex 36).

⁸⁴ Listed as Founding Member Director, address: 39-3-208, Qingnian Street, Zhenxing District, Dandong City, Liaoning Province, China.

⁸⁵ Reported to be valued at \$88 per metric ton.

Figure XLa
The *Ryon Hwa 3* aground, Ningbo-Zhoushan, 18 September 2021

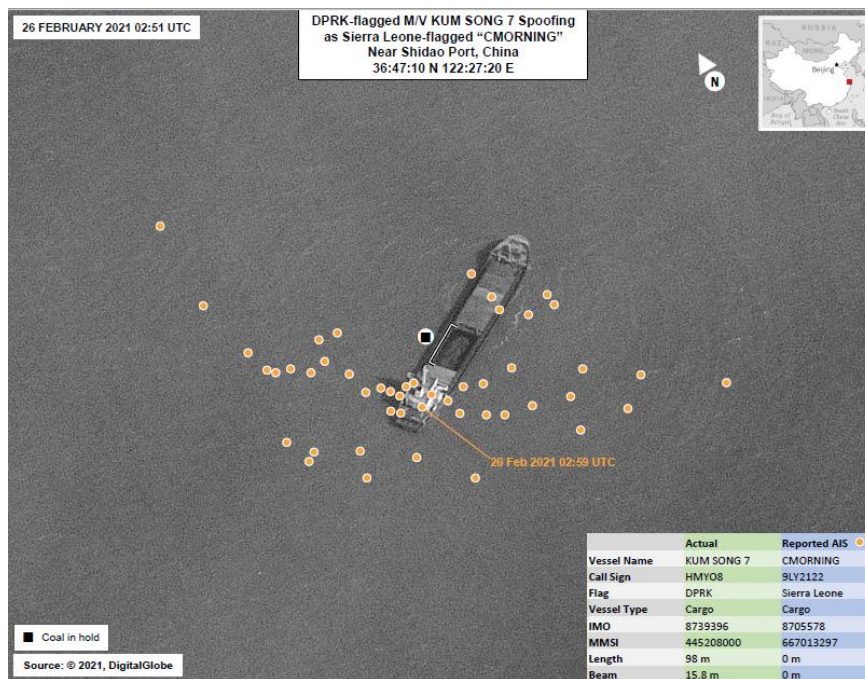


Source: (top) Member State, (bottom) Maxar Technologies and Windward.

95. The *Jang Un* and the *Kum Song 7* reported no AIS signal for years, and either travelled “dark” or spoofed other identifiers to avoid detection on maritime databases (see figure XLb). All three vessels have been reported by the Panel exporting coal in the Ningbo-Zhoushan area.⁸⁶ HongKong Great Fortune Development Co. Limited has yet to respond.

⁸⁶ The *Jang Un* has been cited in Panel reports for exporting coal from the Democratic People’s Republic of Korea dating back to 2018, with the *Kum Song 7* and the *Ryon Hwa 3* observed in Ningbo-Zhoushan waters since 2020.

Figure XLb
The *Kum Song 7* spoofing near Shidao, China, 26 February 2021



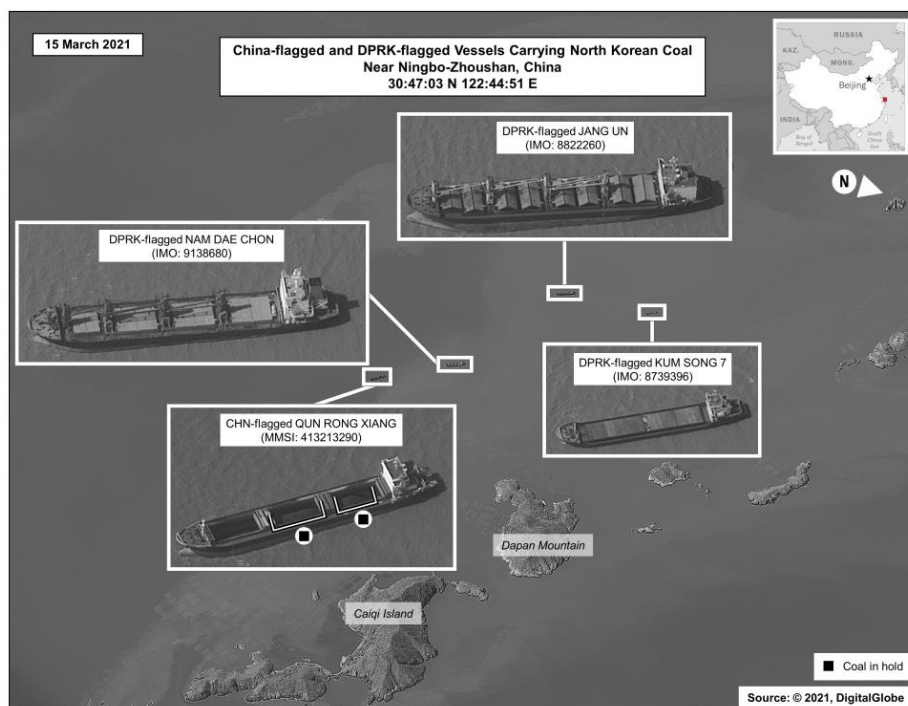
Source: Member State.

96. The Panel asked China for verification of the ownership of HongKong Great Fortune Development Co. Limited, the company's role in coal procurement as well as its involvement in any activity related to the Democratic People's Republic of Korea. China responded "The Chinese side has no information of Hong Kong Great Fortune Development Co. Ltd., at the moment" (see annex 61).

97. In reviewing multiple datapoints, the Panel assessed that HongKong Great Fortune Development Co. Limited was the likely entity associated with the export of coal by the Democratic People's Republic of Korea to the Chinese-flagged cargo vessel *Qun Rong Xiang* (no IMO number reported, MMSI No. 413213290) in Chinese waters. The Panel had previously investigated but withheld from identifying the Chinese ship in view of the request of China given its ongoing investigations (see figure XLI).⁸⁷ The Chinese vessel then delivered the coal to Qinzhou port by 23 March 2021. Details, including additional imagery, are given in annexes 60 and 61.

⁸⁷ S/2021/777, paras. 96–98.

Figure XLI
The *Qun Rong Xiang* in proximity of three vessels of the Democratic People's Republic of Korea, Ningbo-Zhoushan, 15 March 2021



Source: Member State.

98. China responded that “the investigations into ... *QUN RONG XIANG* are still under way, and we do not have information to share at the current stage”.

99. All vessels of the Democratic People's Republic of Korea suspected to have exported coal originating from the country would be subject to paragraph 9 of Security Council resolution [2397 \(2017\)](#)⁸⁸ (see annex 61 for details).

Recommendations

100. As maritime trade constitutes a major vector in both the procurement and sale by the Democratic People's Republic of Korea of sanctioned commodities, the public and private sectors are reminded to implement the needed regulatory standards and due diligence checks at all levels associated with the operation of ships and transaction of commodities, in particular those conducted in identified waters⁸⁹ involving banned or restricted products and services. The Panel highlights that the numerous maritime-related recommendations contained in the previous reports continue to remain relevant.

101. Additional recommendations are set out below.

⁸⁸ It is stipulated in the paragraph that a Member State should seize, inspect and impound any vessel within its ports where there are reasonable grounds to believe that the vessel was involved in activities that violated the various Security Council resolutions, and may do so for vessels within the Member State's territorial waters.

⁸⁹ [S/2021/777](#), para. 57 and figure VIII.

On vessel identity laundering and AIS manipulation

102. The Panel recommends that Member States and ship registries add to their ship circulars information pertaining to detected cases of vessel identity laundering or tampering, and ensure wide dissemination, including to maritime authorities. Such information would include:

- Identifiers of ships in their registry that have transmitted cover identities
- Identifiers of ships in their registry that may have had their identifiers exploited by other vessels
- Names of ship registrants whose vessels have transmitted fraudulent identifiers

103. The Panel recommends that flag States and their recognized organizations keep verified records and up-to-date time-stamped photographs of vessels that they certify and flag, including for submission to IMO at regular intervals. These recorded images would include:

- All permanent markings of the ship's name and IMO number
- Photographs of the ship at various angles
- Photographs of the ship's engine, including its engine number

104. The Panel recommends that IMO consider the review of hardware and software security standards for preventing the tampering of AIS transponders.

105. The Panel recommends that IMO urge all flag States to ensure that the requirements for the Continuous Synopsis Record are complied with, including for such information to be updated accordingly on the IMO Global Integrated Shipping Information System website.

On vessel onward sale

106. The Panel recommends that sellers check that vessel sale information is reflected on the IMO Global Integrated Shipping Information System website on a timely basis.

107. The Panel recommends that shipowners and managers undertake ongoing in-house reviews on sanctions compliance programmes with the requisite training and resources.

On oil supply chain and free-on-board practice

108. The Panel reiterates that commodity trading companies and tanker fleets operating under their jurisdictions and in those at-risk segments of the free-on-board market and/or engaging in ship-to-ship transfer in the affected international waters adopt contractual language that includes effective end-use delivery verification.

109. The Panel recommends that commodity trading companies, tanker fleets and segments of the affected free-on-board markets review the AIS history and any known use of fraudulent identities of all vessels to or from which they intend to supply or receive products/commodities banned under the resolutions.

110. The Panel recommends that financial institutions include AIS screening and vessel due diligence risk assessment clauses in letters of credit, loans and other financial instruments issued to commodity traders involved in the oil and petroleum products industry in the affected areas.

111. The Panel recommends that financial institutions involved in commodity trading in affected areas expand transaction monitoring programmes to incorporate AIS screening for both client and counterparty vessels.

On enhanced due diligence and data-sharing

112. The Panel recommends that flag States possess the requisite tools available to identify and investigate suspected fraudulent use of the MMSI where it is detected and share the results of their investigation with other maritime authorities, as well as with the Panel.

113. The Panel recommends that the IMO Global Integrated Shipping Information System include information to indicate whether a vessel's flag registration is provisional or permanent as well as the effective date range.

114. The Panel recommends that ship owners, charterers and operators continue to enhance "know-your-customer" and "know-your-counterparty's-vessel" due diligence with regard to ship-to-ship transfers. During the transfers, time-stamped photographs, including verifiable ship identifiers and associated transmitted AIS profiles, financial transaction records and other relevant crew details, are recorded for compliance purposes and to be shared with law enforcement and the Panel of Experts where necessary.

Recommendations to the Committee

115. The Panel reiterates its previous recommendations for the following vessel for designation under paragraph 5 of Security Council resolution [2397 \(2017\)](#) and further recommends the vessel for designation under paragraph 14 of resolution [2397 \(2017\)](#): the *Un Hung* (formerly known as the *Vifine*) (IMO No. 9045962), Democratic People's Republic of Korea-flagged.

116. The Panel recalls its previous recommendations for the following vessels for designation under paragraph 5 of Security Council resolution [2397 \(2017\)](#) and further recommends their designation under paragraph 5 of resolution [2397 \(2017\)](#) and paragraph 11 of resolution [2375 \(2017\)](#):

- *Diamond 8* (IMO No. 9132612), unknown-flagged
- *New Konk* (IMO No. 9036387), unknown-flagged
- *Subblic* (IMO No. 8126082), unknown-flagged
- *Xing Ming Yang 888* (IMO No. 8410847), unknown-flagged

117. The Panel recommends the following vessel for designation under paragraph 11 of Security Council resolution [2375 \(2017\)](#) and paragraph 14 of resolution [2397 \(2017\)](#): the *Sun Ryong San* (IMO No. 9016430).

118. The Panel reiterates its recommendation for the following vessel for further designation under paragraph 11 of Security Council resolution [2375 \(2017\)](#): the *Pho Phuong* (IMO No. 8417962), Democratic People's Republic of Korea-flagged.

119. The Panel reiterates its previous recommendations for the following vessels for designation under paragraph 11 of Security Council resolution [2375 \(2017\)](#) and recommends their further designation under paragraph 14 of resolution [2397 \(2017\)](#):

- *To Myong*, (formerly known as the *Ri Hong/Klausen*) (IMO No. 9162318), Democratic People's Republic of Korea-flagged

· *Tae P(h) Yong 2* (formerly known as the *Ming Zhou 6*) (IMO No. 8602763),
Democratic People's Republic of Korea-flagged

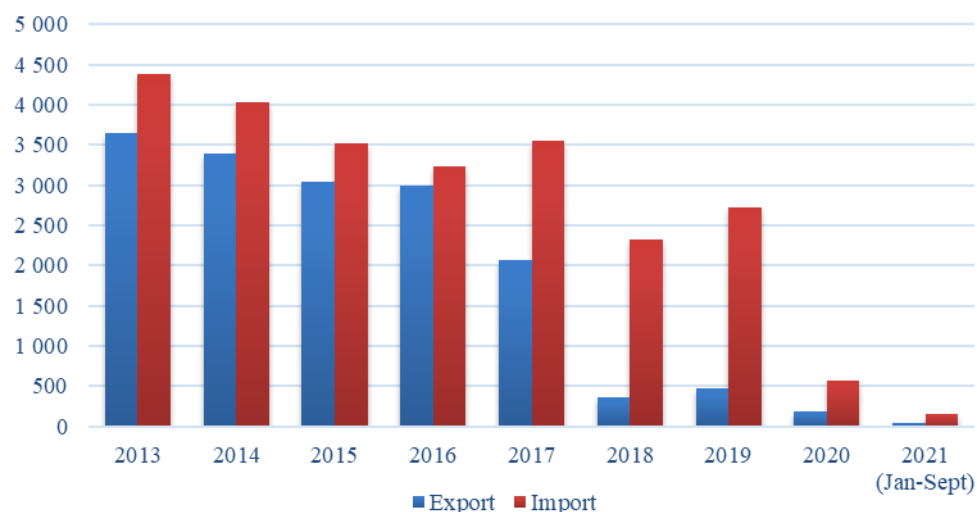
Trade statistics and customs issues

120. The recorded volume of foreign trade of the Democratic People's Republic of Korea continued to decrease in 2021 and was significantly lower than in previous years, including during the 2020 lockdown (see figure XLII). The Panel assesses that this was due to the de facto closure of all trans-border movement of commodities, transport and people in response to the COVID-19 pandemic.

Figure XLII

Democratic People's Republic of Korea, recorded trade, 2013–2021

(Millions of United States dollars)



Source: International Trade Centre (ITC) Trade Map, accessed 31 December 2021.

121. There were some signs of resurgence in the limited foreign trade of the Democratic People's Republic of Korea from June 2021 (see figure XLIII), but the trade volume between January and September 2021 decreased by two thirds on a year-on-year basis. The trade activity of the Democratic People's Republic of Korea appeared to have been conducted mostly by maritime trade. China informed the Panel of several maritime shipments in 2021, mostly of agricultural supplies and "general cargo".⁹⁰

122. According to media reports, on 16 January 2022, freight trains from the Democratic People's Republic of Korea crossed the border to Dandong, China, and left for Sinuiju carrying medical supplies and daily necessities.⁹¹ The Ministry of

⁹⁰ In response to the Panel's maritime enquiries on specific vessels (see paras. 85, 90 and 92), China stated that in 2021 several vessels entered Yantai port empty, and left the port after loading chemical fertilizer, pesticide and other agricultural supplies. A vessel entered Longkou port in August, offloaded watch movements, and left the port after loading stationery in September. There were other instances of shipping of fertilizer and other agricultural supplies.

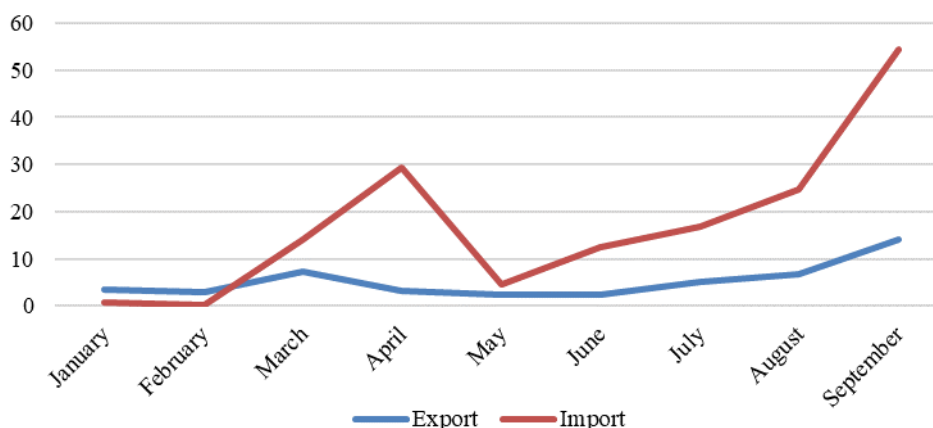
⁹¹ Yonhap News Agency, "Another N. Korean cargo train arrives in Chinese border city: sources", 17 January 2022.

Foreign Affairs of China stated that “cross-border rail freight transport between Dandong and Sinuiju has resumed”.⁹²

Figure XLIII

Trade statistics, Democratic People’s Republic of Korea, January–September 2021 (monthly)

(Millions of United States dollars)



Source: ITC Trade Map, accessed 31 December 2021.

123. The Panel’s analysis of prohibited exports and imports in the present report primarily covers the period between January and September 2021.

124. On the basis of ITC records on national trade data, some of which appeared to fall into sanctioned categories, the Panel asked 46 Member States for information on transactions with the Democratic People’s Republic of Korea, as well as for details of any cases of rejection of clearance or seizure of goods exported to or imported from the Democratic People’s Republic of Korea. For the list of restricted Harmonized System (HS) code commodities that the Panel uses to monitor the sectoral ban, see annex 62.

125. The Panel also sought information from Member State customs authorities on their practical implementation of sanctions obligations, such as the requirement to inspect all cargoes to and from the Democratic People’s Republic of Korea and to seize and dispose of them when prohibited items were found, pursuant to paragraph 18 of Security Council resolution 2270 (2016) and paragraph 20 of resolution 2397 (2017). In general, Member State customs authorities observed the implementation of the prohibitions, although sometimes they face the challenge of determining whether certain items were prohibited from transfer to and/or from the Democratic People’s Republic of Korea.

126. Many Member States indicated that recorded trade activity with the Democratic People’s Republic of Korea in 2021 was mainly attributable to erroneous data in trade statistics, through the mistaken usage of country codes during the respective customs declaration processes. The country code for the Democratic People’s Republic of Korea (KP) was entered wrongly in place of the country code for the Republic of Korea (KR), the actual trade partner.⁹³ Thailand informed the Panel of several such cases involving local companies (see annex 92). Other Member States claimed that

⁹² “China-Democratic People’s Republic of Korea rail freight was suspended for some time due to the impact of COVID-19. Through friendly consultations between the two sides, the cross-border rail freight transport between Dandong and Sinuiju has resumed. The two sides will move forward on the basis of ensuring sound epidemic prevention and control to facilitate normal bilateral trade exchange” (17 January 2022).

⁹³ For example, S/2021/777, para. 117, and S/2021/211, annex 41.

transactions conducted had conformed with the United Nations sanctions regime. Some Member States informed the Panel about the results of investigations into cases of possible non-compliance (see table 5).

Table 5

Comparative table of bilateral trade, Democratic People's Republic of Korea, January–September 2021⁹⁴

(Thousands of United States dollars)

No.	Member State	Trade volume with the Democratic People's Republic of Korea		Restricted HS code trade with the Democratic People's Republic of Korea		Member State's reply
		Export to	Import from	Export to	Import from	
1	Armenia	0	18		1 (HS code 12) 1 (HS code 84) 3 (HS code 85)	Inaccuracy of data due to technical error in the declaration of goods/origin of items is the Republic of Korea and Japan
2	Barbados	200	951		22 (HS code 61) 1 (HS code 63) 581 (HS code 84) 274 (HS code 85)	
3	Belgium	0	203		15 (HS code 73)	
4	Belize		14		14 (HS code 84)	
5	Benin	0	41			Nothing applicable/no cases
6	Bolivia (Plurinational State of)	0	20			Nothing applicable/no cases
7	Bosnia and Herzegovina	0	16		5 (HS code 84) 4 (HS code 85)	
8	Brazil	564	97	539 (HS code 2710)	2 (HS code 61)	
9	Bulgaria	0	4		1 (HS code 85)	Technical mistake in the customs declaration/items imported from the Republic of Korea
10	Cabo Verde	0	110			Nothing applicable/no cases
11	Cambodia	453	61		41 (HS code 72)	Investigations under way
12	Canada	0	52		2 (HS code 72)	Actual country the goods originated from was the Republic of Korea, and was inaccurately reported to ITC
13	Chile	36	0			Nothing applicable/no cases
14	China	151 739	33 595	2 229 (HS code 2710) 48 (HS code 2712) 3 292 (HS code 2713)	2 442 (HS code 50) 19 (HS code 62) 11 388 (HS code 72) 7 (HS code 85)	Silk (HS code 50) is a raw material not a textile/ferroalloys (HS code 72) are different from iron and iron ore/women's clothing (HS code 62) and electrical equipment (HS code 85) are from the Republic of Korea, mistakenly declared
15	Colombia	21	84		3 (HS code 73) 1 (HS code 52) 8 (HS code 56) 2 (HS code 61) 36 (HS code 84)	

⁹⁴ See annex 63.

No.	Member State	Trade volume with the Democratic People's Republic of Korea		Restricted HS code trade with the Democratic People's Republic of Korea		Member State's reply
		Export to	Import from	Export to	Import from	
16	Costa Rica	26	240			Nothing applicable/no cases
17	Croatia	0	16		16 (HS code 87)	Declaration error/country of origin was the Republic of Korea
18	Denmark	0	99		5 (HS code 59)	Country code input error/country of origin was the Republic of Korea
19	Ecuador	0	13			Nothing applicable/no cases
20	El Salvador	0	817		38 (HS code 84)	
21	Eswatini	0	12		1 (HS code 61) 2 (HS code 84)	Due to declarant's inability to differentiate between the Democratic People's Republic of Korea and the Republic of Korea/supplier was the Republic of Korea
22	Ethiopia	267	1 049		562 (HS code 72) 207 (HS code 79) 51 (HS code 84) 59 (HS code 85)	
23	Fiji	87	594	2 (HS code 84) 43 (HS code 72)	332 (HS code 72) 169 (HS code 73) 9 (HS code 55) 15 (HS code 60)	
24	Finland	0	6			Nothing applicable/no cases
25	Georgia	0	11			Nothing applicable/no cases
26	Germany	16	1			Nothing applicable/no cases
27	Greece	2	0			Nothing applicable/no cases
28	Hungary	0	1		1 (HS code 85)	Country code input error
29	Indonesia	0	259		5 (HS code 73) 39 (HS code 84) 30 (HS code 85)	Interpret Security Council resolutions as not prohibiting exports from the Democratic People's Republic of Korea of items under HS code 73/investigations on other trade items under way
30	Italy	0	6		1 (HS code 84)	Supplier was a company of the United Kingdom of Great Britain and Northern Ireland (United Kingdom: could not identify any imports from the Democratic People's Republic of Korea)
31	Luxembourg	12	0	1 (HS code 84) 9 (HS code 85)		Encoding errors/goods were destined for the Republic of Korea
32	Madagascar	0	176		1 (HS code 84) 3 (HS code 63)	
33	Namibia	0	6		4 (HS code 84) 2 (HS code 85)	
34	Netherlands	413	33		1 (HS code 52)	
35	Niger	0	66		62 (HS code 85)	
36	Poland	116	85			Nothing applicable/no cases

No.	Member State	Trade volume with the Democratic People's Republic of Korea		Restricted HS code trade with the Democratic People's Republic of Korea		Member State's reply
		Export to	Import from	Export to	Import from	
37	Romania	0	1		1 (HS code 73)	Authorities have not confirmed the transfer of iron and steel products from the Democratic People's Republic of Korea
38	Russian Federation	0	2		1 (HS code 84)	
39	Seychelles	0	1 156		726 (HS code 72) 11 (HS code 84)	Data inaccurate/items under HS codes 72, 84 and 85 have been imported
40	Slovakia	0	6			Nothing applicable/no cases
41	South Africa	61	39	5 (HS code 84) 7 (HS code 73)	7 (HS code 56) 7 (HS code 84) 16 (HS code 85)	
42	Spain	256	68	231 (HS code 84) 2 (HS code 85)	1 (HS code 58) 40 (HS code 84) 26 (HS code 85) 1 (HS code 63)	
43	Thailand	1 637	78	2 (HS code 74)	19 (HS code 84) 12 (HS code 85)	Some declaration forms were misfiled as the country of destination and origin to/from the Democratic People's Republic of Korea, but are now amended
44	Turkey	49	538		41 (HS code 72) 10 (HS code 73) 45 (HS code 84) 212 (HS code 85) 187 (HS code 55)	Inadvertent errors during declaration/country of origin was other countries such as the Republic of Korea
45	United Kingdom of Great Britain and Northern Ireland	0	1 536		5 (HS code 73) 1 503 (HS code 84) 9 (HS code 85)	Inaccurate submission of country code/all trade confirmed to be with the Republic of Korea
46	Zambia	1 085	5 585	1 085 (HS code 84)	13 (HS code 84) 19 (HS code 85)	
Total		157 040	47 765			

Note: Information as of January 2022.

Abbreviation: HS, Harmonized System.

127. Indonesia informed the Panel that the Security Council resolutions do not prohibit the procurement of articles under HS code 73 (articles of iron and steel) from the Democratic People's Republic of Korea. While there is a clear listing of HS code 73 for prohibited imports to the Democratic People's Republic of Korea, there is no specific mention of HS code 73 in the case of prohibited exports from the Democratic People's Republic of Korea.⁹⁵ The Panel's informal guidance (see annex 62) includes

⁹⁵ It is stipulated in paragraph 8 of Security Council resolution [2371 \(2017\)](#) that the Democratic People's Republic of Korea shall not supply, sell or transfer ... iron and iron ore and that all States shall prohibit the procurement of such material from the Democratic People's Republic of Korea. In contrast, it is stated in paragraph 7 of resolution [2397 \(2017\)](#) that Member States shall prohibit the direct or indirect supply, sale or transfer to the Democratic People's Republic of Korea ...[of] iron, steel and other metals (HS codes 72–83).

HS code 73 in its list for monitoring implementation of the sectoral ban on exports from the Democratic People's Republic of Korea.

128. China has similarly stated that imports of ferroalloys (HS code 72) from the Democratic People's Republic of Korea are not prohibited by resolutions since it is stipulated that iron and iron ore are prohibited without explicitly mentioning HS code 72.⁹⁶

129. Since there is no mention of explicit HS codes for exports from the Democratic People's Republic of Korea, Member States continue to interpret the provisions of the resolutions in different ways.

130. As in previous years, the main goods exported illegally from the Democratic People's Republic of Korea included coal, minerals, iron and textile products (see, for example, paragraphs 80–92 concerning illegal maritime exports of coal).

131. The Panel observed that many Member States were unable to share their trade statistics in a timely manner. Therefore, the Panel intends to continue comparative analysis of open-source statistics and data provided by Member States in order to flag any possible discrepancies and investigate their cause.

Recommendations

132. **The Panel recommends that appropriate measures be taken by the International Organization for Standardization to prevent erroneous usage of country codes⁹⁷ for the Democratic People's Republic of Korea and the Republic of Korea (KP and KR, respectively).**

133. **The Panel recommends that Member States streamline their export and import control lists, using as supportive material the informal list of prohibited commodities (see annex 62).**

134. **The Panel recommends that customs authorities of Member States use the above-mentioned list to inform trading agents in their jurisdictions for due diligence purposes, in particular when dealing with such commodities in the vicinity of sanctioned jurisdictions.**

IV. Embargoes, designated entities and individuals and overseas workers

Embargoes

Global Communications (Glocom)

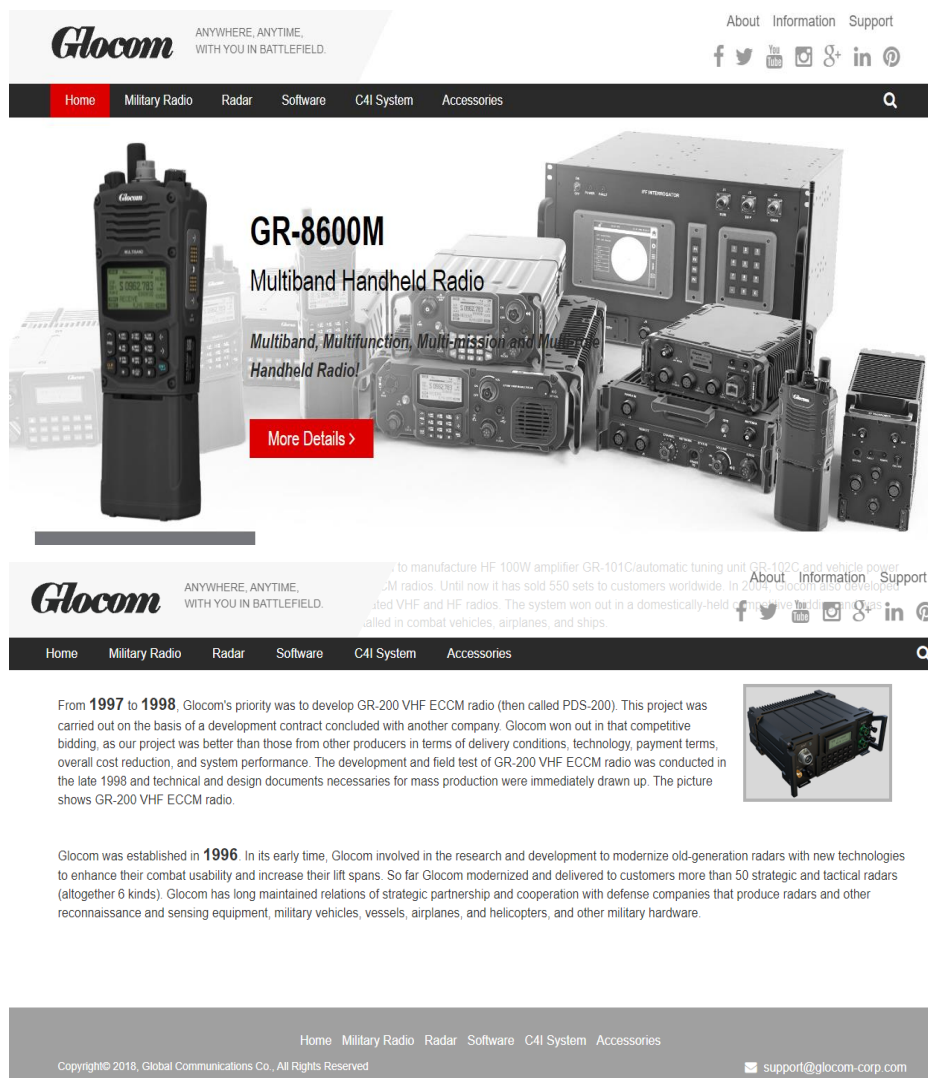
135. According to the Panel's preliminary investigations, information from a Member State and media reports,⁹⁸ Glocom remains operational (see its web pages in figure XLIV) and continues to use its brand to offer and promote a growing array of military radio, battlefield radar and software control systems (see annex 65).

⁹⁶ China also noted: "For example, the raw silk and silk waste imported from the Democratic People's Republic of Korea under HS code 50 fall in the category of raw materials, not textiles, whose exports are prohibited by the Security Council resolutions."

⁹⁷ See annex 64 for details on country codes.

⁹⁸ See www.nknews.org/pro/north-korea-linked-firm-offering-expanded-range-of-radio-hardware-online.

Figure XLIV
Glocom website



Source: <https://glocom-corp.com>.

136. The current location of Glocom is unknown to the Panel, which has attempted to contact the company concerning its registration details, company composition and operational status. The Panel has received no reply.

137. Privacy Protect Business Development, a company based in Massachusetts, United States of America, registered the domain credentials of Glocom. The Panel asked this company about the provision of domain services to Glocom. The Panel also asked Malaysia, where Glocom previously operated, for an update on specific actions taken by its authorities on the company and its associates in recent years. According to one Member State, Pan Systems Pyongyang has been selling military radios and accessories to Zagre Computer Components and Assembly Line Company, of Eritrea, since 2019. The Panel asked Eritrea about procurement from Pan Systems (Glocom) or other entities of the Democratic People's Republic of Korea. The Panel has yet to receive replies for all of the three aforementioned cases.

138. According to a Member State, Pan Systems Pyongyang, utilizing a number of front company names, has ordered military radio components from seven Chinese companies over the past several years. The Panel asked these companies for relevant information. Only Shenzhen Air Digital Technology Co. Ltd. replied that “our company has NEVER done any business with the DPRK”.

Cases related to “The Mole: undercover in North Korea”

139. “The Mole” showed an arms dealer from the Democratic People’s Republic of Korea and an individual portrayed by a Danish actor discussing the construction of a facility potentially for the manufacture of methamphetamine and arms from components sourced by or from the Democratic People’s Republic of Korea on an island in Lake Victoria in Uganda in 2017. The documentary suggests that the project was never realized.⁹⁹ To the Panel’s enquiry, Uganda replied that the actor and this team “introduced themselves to be from the Norwegian royal family ..., expressed interest in buying the island ... [and] promised to come back to Uganda, which promise has not been fulfilled. They never revealed their true identity and intentions” (see annex 66; see also annex 67 for a case concerning Cambodia in relation to the documentary).

Military cooperation with the Democratic People’s Republic of Korea

140. The Panel continued to investigate possible military and technological cooperation between the Bolivarian Republic of Venezuela and the Democratic People’s Republic of Korea, as well as possible arms exports from the Democratic People’s Republic of Korea to Somalia (see annex 68 for details).

Chan Han Choi

141. The Panel previously reported that an Australian businessman, Chan Han Choi,¹⁰⁰ working on behalf of the Democratic People’s Republic of Korea, was arrested by the Australian authorities in December 2017 for conducting brokering activities for the sale of prohibited commodities, including arms and related materials, to the Democratic People’s Republic of Korea. On 23 July 2021, the Supreme Court of New South Wales sentenced Chan to three years and six months of imprisonment.¹⁰¹

Implementation of luxury goods ban

142. Owing to the closure of the borders and almost full termination of the import of consumer goods by the Democratic People’s Republic of Korea, the Panel has not received any new information about deliveries of luxury goods (prohibited under paragraph 8 (a) (iii) of Security Council resolution 1718 (2006)).

143. According to sources in the Democratic People’s Republic of Korea, the virtual absence of imports of consumer goods (including alcohol) resulted in a sharp increase in market prices and a general supply deficit of goods such as electrical equipment, cosmetics, detergents and stationery supplies.¹⁰² These sources suggest that luxury goods became inaccessible to even the richest consumers in the Democratic People’s Republic of Korea, and market demand for them became non-existent, as well as any possibilities for private imports or smuggling.

⁹⁹ S/2021/211, annex 88; and S/2021/777, para. 137.

¹⁰⁰ S/2018/171, paras. 87 and 88.

¹⁰¹ See annex 69 for the judgment summary on Mr. Chan (for the full judgment details, see www.caselaw.nsw.gov.au/decision/17acff4723618647ad83e770).

¹⁰² See www.dailynk.com/english/pyongyang-moves-to-increase-imports-of-chinese-consumer-goods-as-market-prices-soar.

144. Some media reports suggested that, owing to the short-lived limited resumption of trade in the second half of 2021, some branded consumer goods and luxury supplies for the elite were secretly delivered by vessels transporting humanitarian aid and medical supplies, although the Panel cannot confirm these reports.

145. The Panel continued its investigation of the networks behind the supply to the Democratic People's Republic of Korea of Mercedes luxury vehicles in the period 2017–2019 from Italy (see annexes 70 and 71).

146. The Panel noted press reports that Mercedes Benz G-Class sport utility vehicles were seen used by officials of the Democratic People's Republic of Korea (see annex 72). At the request of the Panel, Daimler replied: "Regarding the depicted Mercedes-Benz G-Class ... there are no indications concerning ballistic protections. Its body design suggests a model built between 2013–2018. However, the pictures provide no technical indications regarding an armouring or tuning that originates from Daimler or Mercedes-Benz OEM production".

147. According to Member State information, in April 2021, the General Administration of Civil Aviation of the Democratic People's Republic of Korea coordinated with Shenyang Power Company Ltd., of China,¹⁰³ for the purchase of four luxury Toyota sport utility vehicles valued at more than \$600,000. The Panel is investigating this information. The Panel has also obtained information that in May 2021 the same buyer coordinated with Jintianda Import and Export Trading Company Ltd.¹⁰⁴ for the purchase of 10 industrial vehicles and trucks valued at approximately \$400,000. The company has not replied to the Panel's request for information. The Panel continued its investigation of a suspected transfer of Toyota Lexus vehicles to the Democratic People's Republic of Korea with the possible involvement of Jiangsu Overseas Group Foreign Economic and Technical from Ningbo at the end of 2020. The Panel has not received any responses to its requests for information.

148. The Panel continued investigations of a possible violation concerning the supply of a high-end grand piano, shown in 2021 in the broadcasts of the concerts of the Band of the State Affairs Commission of the Democratic People's Republic of Korea by local television networks.¹⁰⁵ Media reports suggested that the grand piano was a Steinway model.¹⁰⁶ The Panel repeatedly asked Steinway Musical Instruments Inc. for information but so far has received no answer.

Recommendations

149. **The Panel recommends that Member States consider updating their export control lists to reflect their lists of prohibited luxury goods in a manner consistent with the objectives of Security Council resolutions 1718 (2006), 1874 (2009), 2094 (2013), 2270 (2016) and 2321 (2016), but avoiding unnecessary broadening of their scope in order not to restrict the supply of unprohibited goods to the civilian population or have a negative humanitarian impact once trade restarts.**

150. **The Panel reiterates its recommendation that Member States encourage their business entities and nationals exporting luxury goods to include a contractual provision to prevent trans-shipment to the Democratic People's Republic of Korea.**

¹⁰³ 沈阳力天商贸有限公司.

¹⁰⁴ 沈阳市金天达进出口贸易有限公司.

Address: No. 6 Changjiang Nanjie, Huanggu district, Shenyang, Liaoning, China (沈阳市皇姑区长江南街6号).

¹⁰⁵ S/2021/777, para. 149.

¹⁰⁶ See www.nknews.org/2021/06/kim-jong-uns-new-favorite-band-lives-life-of-luxury-in-new-music-videos.

151. The Panel reiterates its recommendation that Member States and relevant organizations encourage shipping and transportation companies to provide thorough systems for end-user checking, bearing in mind the risk of trans-shipment, including ship-to-ship transfer and means of transport for humanitarian cargo.

Korea Mining Development Trading Corporation (KPe.001)

152. The Panel is investigating cases related to Korea Mining Development Trading Corporation. One case involves a Korea Mining Development Trading Corporation representative named Kil Jong Hun based and operating in Equatorial Guinea. Another case involves a national of the Democratic People's Republic of Korea, Ri Hyong Thae, who has served with Korea Mining Development Trading Corporation and Korea Mining Development Trading Corporation-associated companies in Cuba, the Islamic Republic of Iran and Malaysia (see annexes 73 and 74).

Munitions Industry Department (KPe.028)

153. The Panel received information that in 2021 a Chinese company called Breeze Group International Trade¹⁰⁷ was working to sell pneumatic air hammers to the Democratic People's Republic of Korea. Two companies of the Democratic People's Republic of Korea subordinate to the United Nations-designated Munitions Industry Department, Korea Ryonhap Trading Corporation¹⁰⁸ and Yanghung Trading Corporation, were involved. The pneumatic air hammers, model number C41-2000, were to be shipped from Dandong, China, to Sinuiju, Democratic People's Republic of Korea. These hammers fall under industrial machinery (HS code 84), the export of which to the Democratic People's Republic of Korea is prohibited by paragraph 7 of Security Council resolution 2397 (2017). The Panel has yet to receive a reply from Breeze Group International Trade.

Reconnaissance General Bureau (KPe.031)

Cyberthreat actors

154. The Panel continued its investigation into cyberattacks conducted by cyberthreat actors of the Democratic People's Republic of Korea subordinate to the Reconnaissance General Bureau,¹⁰⁹ such as the Lazarus Group and Kimsuky.^{110,111} In 2021, the country's cyberthreat actors conducted attacks against various entities around the globe, including critical defence-related infrastructure, in an attempt to access sensitive technology in violation of relevant resolutions.

155. The Panel sought information on cyberattacks against nuclear and defence-related industries of the Republic of Korea. According to cybersecurity firms and

¹⁰⁷ 微风社国际贸易（北京）有限公司.

¹⁰⁸ 연합무역회사. The company has been listed as a trading corporation of the Democratic People's Republic of Korea subordinate to the Munitions Industry Department in the Panel's previous reports (S/2020/840 and S/2020/840, annex 46).

¹⁰⁹ See S/2020/840, annex 48, for the roles of the Reconnaissance General Bureau and other organizations in the cyberoperations of the Democratic People's Republic of Korea.

¹¹⁰ According to information from multiple Members States and open sources, the so-called "Third Bureau" of the Reconnaissance General Bureau includes different cyberthreat groups, namely the Lazarus Group, Kimsuky, Bluenoroff and Andariel. The Lazarus Group is well known for its destructive attacks on Sony Pictures Entertainment in 2014. Kimsuky is notorious for spearphishing, directing or targeting cyberattacks against the Panel. Bluenoroff and Andariel are subgroups of the Lazarus Group.

¹¹¹ For details of these cyberthreat groups, see United States of America, Department of Treasury, "Treasury sanctions North Korean State-sponsored malicious cyber groups", press release, 13 September 2019.

media reports, a cyberthreat group breached the internal network of the Korea Atomic Energy Research Institute in May 2021.¹¹² The Internet Protocol addresses involved in launching the attack were reported as being linked to attack infrastructure used by Kimsuky. The Panel was informed that the same group may have attempted to hack the virtual private network devices of Korea Aerospace Industries in order to acquire technological data from the internal network.

156. The Panel was informed that Kimsuky was capable of setting up phishing infrastructure to mimic well-known websites and applications (e.g. Microsoft Outlook) and to trick victims into entering their credentials. These stolen credentials are used by the actor to perform targeted attacks. A cybersecurity firm reported that in one of the cases the actor collected email addresses not only of government entities but also of those associated with a security officer at the International Atomic Energy Agency.¹¹³ According to the same cybersecurity firm, Kimsuky is believed to have later used this information to perform its targeted attacks against the Agency.

157. Findings of another cybersecurity firm illustrated that backdoor malware called “Vyveva” (strongly attributed to the Lazarus Group) was traced in an attack against a South African freight and logistics firm in April 2021.¹¹⁴ Moreover, the Panel has separately received information that “Vyveva” malware was capable of exfiltrating files and modifying file stamps and utilized the dark web “TOR” platform for command and control. Access to logistics firms provides the Democratic People’s Republic of Korea with advanced knowledge of locations and details of movements of goods, enhancing its ability to circumvent sanctions, and also enables its hackers to deploy ransomware aimed at generating illicit revenue.

158. These attempts, including those to illegally obtain sensitive technology, are possible violations of paragraph 8 (a) (ii) of Security Council resolution 1718 (2006) and paragraph 27 of resolution 2270 (2016) by the Democratic People’s Republic of Korea. A Member State informed the Panel that investigations were under way to confirm whether any substantial data breach had occurred.

159. One cybersecurity firm described¹¹⁵ how “TA406” and “TA427”, cyberactors associated with Kimsuky, had been using false email accounts using the identities of legitimate individuals and entities from countries including the Republic of Korea, the United States and the Russian Federation. A wide range of entities have been targeted by illicit cybercampaigns from these cyberactors of the Democratic People’s Republic of Korea. According to a report published by a cybersecurity organization in March 2021, the Lazarus Group, also known as Hidden Cobra, conducted various attack operations against Japanese organizations.¹¹⁶ A Member State also informed the Panel that there were 350 instances of cyberactivity originating from the Democratic People’s Republic of Korea against one of their government institutions since the start of 2021. Nearly all these attempts were spearphishing against official emails. In January 2022, another cybersecurity firm released a report¹¹⁷ that a

¹¹² See, for example, <https://therecord.media/north-korean-hackers-breach-south-koreas-atomic-research-agency-through-vpn-bug>.

¹¹³ See <https://blog.malwarebytes.com/threat-intelligence/2021/06>.

¹¹⁴ See www.welivesecurity.com/2021/04/08/are-you-a-freight-dark-watch-out-vyveva-new-lazarus-backdoor.

¹¹⁵ See www.proofpoint.com/us/blog/threat-insight/triple-threat-north-korea-aligned-ta406-scams-spies-and-steals.

¹¹⁶ See https://blogs.jpccert.or.jp/en/2021/03/Lazarus_malware3.html.

¹¹⁷ See <https://cluster25.io/2022/01/03/konni-targets-the-russian-diplomatic-sector>.

cyberactor of the Democratic People's Republic of Korea called "Konni"¹¹⁸ targeted the Russian diplomatic sector using New Year's greetings as a spearphishing lure.

160. These activities constitute espionage intended to inform and assist the sanctions evasion strategies of the Democratic People's Republic of Korea. Cyberactors target relevant entities to fraudulently solicit relevant information, including to sidestep the effects of sanctions, and also to generate money to fund the country's operations. Other cybercampaign trends include using false personae in order to establish relationships and then send malware or malicious links. This can also lead to credential harvesting through phishing sites. In cases of successful deployment of ransomware to generate illicit revenue, this would constitute a violation of financial sanctions, including under paragraph 11 of Security Council resolution 2094 (2013) (see paras. 182–184 on cryptocurrency theft).

161. Cyberattacks related to the Panel continued. The Panel has received hacking attempts from cyberactors¹¹⁹ of the Democratic People's Republic of Korea, and phishing messages using disguised email accounts have been sent in the name of individuals on the Panel.

Sok Kha

162. According to information provided by Member States, an intelligence officer of the Reconnaissance General Bureau of the Democratic People's Republic of Korea named Kim Chol Sok (also known as Sok Kha)¹²⁰ operated hotels, casinos, restaurants and bars in Cambodia as of mid-2020 and worked to expand his business activities in tourism as well as in other business sectors such as precious metal mining.¹²¹

163. The Cambodian authorities, after a thorough investigation, concluded that Kim Chol Sok and Sok Kha are the same person and clarified that Sok Kha had a Cambodian diplomatic passport (No. D0004492).¹²² They found that Sok Kha's birth certificate, family record book and identity card were all fake, and nullified all these documents, including the aforementioned diplomatic passport.

164. Results of the investigations also revealed that Sok Kha was the director of C.H. World Travel Co. Ltd.¹²³ The company had an account with the Cambodian Public Bank. The authorities shut down the company and froze its account.

165. As of October 2021, the Cambodian authorities were taking legal action to bring Sok Kha to trial. However, he has not returned to Cambodia since leaving the country in November 2020.¹²⁴ The Panel's investigation of the business and financial aspects of the Sok Kha case continues.

¹¹⁸ For previous coverage in reports of the Panel of this cyberactor of the Democratic People's Republic of Korea, see S/2021/211, para. 128.

¹¹⁹ See <https://foreignpolicy.com/2021/10/28/north-korea-sanctions-experts-united-nations>.

¹²⁰ Other known aliases include Lee Un-Kang, Chang Sok-kha, Kang Hyok, Li Yun-chiang and Steven Lee. Date of birth: 1 January 1970 (according to the passport).

¹²¹ Try Pheap, who was designated by the United States Department of the Treasury for corruption in 2019, is a business associate of Sok Kha. See United States, Department of Treasury, "Treasury sanctions corruption and material support networks", press release, 9 December 2019.

¹²² According to Cambodia, there was no passport under the name Kim Chol Sok but there were 10 passports under the name Sok Kha (2 of the passports were valid and thus abrogated). See annex 75 for the list and copies of the passports.

¹²³ See annex 76 for the company extract.

¹²⁴ According to information provided by Cambodia, between 2003 and 2020, Sok Kha travelled to various cities in South-east and North-east Asia, including Bangkok, Ho Chi Minh, Kuala Lumpur, Beijing, Hong Kong and Taipei.

Mansudae Overseas Project Group of Companies (KPe.050)

Benin

166. The Panel continued its investigations into the construction of a bronze statue in Benin.¹²⁵ Satellite imagery analysed by the Panel suggests that the statue was installed between June and September 2020 (see annex 77).

Namibia

167. The Panel asked Namibia about the hangars allegedly built by the Mansudae Overseas Project Group of Companies at Grootfontein air force base (see figure XLV) and the new head office for the Namibia Defence Force in Windhoek, both of which were built in 2017, as well as about other Mansudae Overseas Project Group of Companies construction projects in Namibia. The Panel has yet to receive a reply.

Figure XLV

Suspected air hangar built by the Mansudae Overseas Project Group of Companies at the Grootfontein air base (19°35'37.64"S 18°7'21.86"E)



Source: Google Earth, annotated by the Panel: inside the red circle is the suspected newly-built hangar.

Overseas workers

168. The Panel further investigated nationals of the Democratic People's Republic of Korea earning income overseas (overseas workers). Owing to the COVID-19 blockade of the Democratic People's Republic of Korea since January 2020, the Panel

¹²⁵ [S/2020/840](#), para. 105 and annex 45; and [S/2017/150](#), para. 115.

notes that cross-border movement of people has been generally forbidden.¹²⁶ Member States reported to the Panel that nationals of the Democratic People's Republic of Korea had remained in several countries and had continued to earn income in 2021 in contravention of paragraph 8 of Security Council resolution 2397 (2017).

169. According to a Member State, "it appears that a significant number of Democratic People's Republic of Korea workers still remain in some regions of China and Russia", as they have been unable to return home due to the border shutdown of the Democratic People's Republic of Korea since early 2020.

China

170. Information provided to the Panel by Member States suggests that entities of the Democratic People's Republic of Korea were working with entities located in China to employ nationals of the Democratic People's Republic of Korea from 2020 to 2021 (see annex 78).

171. According to another Member State's information, Koryo Commercial Bank Ltd, an entity of the Democratic People's Republic of Korea, agreed to establish a joint venture with a company in China mainly for the production and sale of soybean oil in 2019 (see annex 79).

172. The Panel has written to China as well as to the entities involved requesting further information on their activities. China replied to the Panel that "China has been strictly implementing relevant provisions on migrant workers from the DPRK. Their working permits have all expired before the deadline set by the Security Council resolutions" (see annex 80). The Panel has yet to receive replies from these entities. Investigations continue.

Equatorial Guinea

173. According to a Member State, at least 13 information technology workers of the Democratic People's Republic of Korea are located and working in Malabo and Oyala in Equatorial Guinea (see annex 81).

Lao People's Democratic Republic

174. The Panel has obtained information from a Member State indicating that several restaurants in the Lao People's Democratic Republic have been employing nationals of the Democratic People's Republic of Korea as waitresses and dancers even after the December 2019 repatriation deadline (see annex 82).

Russian Federation

175. According to Member State information, the national of the Democratic People's Republic of Korea Kim Ju Sok,¹²⁷ a Moscow-based official representative of Ponghwa General Corporation of the Democratic People's Republic of Korea, facilitated several contracts to send nationals of the Democratic People's Republic of Korea to work in agricultural and construction activities in the Russian Federation between 2020 and 2021.

176. The same Member State reported that Kim collaborated with Uljibong Cooperation Corporation of the Democratic People's Republic of Korea and

¹²⁶ S/2021/777, annex I.

¹²⁷ According to a Member State, Kim Ju Sok arrived in the Russian Federation in October 2016 as an official of the Embassy of the Democratic People's Republic of Korea in Moscow.

contracted with the Russian company SMU-07 LLC¹²⁸ to send a maximum of 100 nationals of the Democratic People's Republic of Korea to construction projects in and around Moscow in June 2020. Kim Ju Sok also collaborated with Korea Rungra-888 Trading Corporation of the Democratic People's Republic of Korea to send at least 60 trainees to the Russian company Stroy Servis LLC¹²⁹ in July 2020.

177. The Russian Federation replied that “no information is available regarding his (Kim Ju Sok) activities in violation of Security Council resolution” and informed the Panel that “both construction companies mentioned in the enquiry – SMU-07 LLC, which is not registered at the indicated address, and Stroy Servis LLC – ceased operations this year. No information is available regarding their contacts with nationals of the DPRK” (see annex 83).

Viet Nam

178. According to a Member State, nationals of the Democratic People's Republic of Korea remaining in Viet Nam continued to work at the Koryo restaurant in 2021. Moreover, open-source information suggests that the restaurant sells art products, including paintings produced at Mansudae art studio (see annex 84).

V. Finance

179. The Panel wrote to China (see annex 85a) regarding a financial investigation relating to money transfers connected with the illicit procurement by the Democratic People's Republic of Korea of petroleum products. China's reply is provided in annex 85b.

180. The United Arab Emirates responded to the Panel's enquiry (see annex 86a) on a separate financial investigation relating to payments for ship-to-ship transfers of petroleum products. The response of the United Arab Emirates is given in annex 86b.

Banking sector

181. In December 2021, United States authorities imposed a regulatory penalty against a multinational United States-based subsidiary of a Canadian bank for processing 1,479 transactions totalling \$382,685 and maintaining nine accounts on behalf of five employees of the permanent Mission of the Democratic People's Republic of Korea to the United Nations.¹³⁰ According to the press release, the bank failed to obtain the required licence from the United States regulatory authorities, which the bank attributed to human error and an overreliance on a vendor-provided screening list. United States authorities noted that the bank voluntarily self-disclosed the violations and that the violations constituted a “non-egregious case”. The regulatory penalty was imposed for breaches of the United States sanctions regime on the Democratic People's Republic of Korea, but the number of accounts may also

¹²⁸ OOO “CMY-07”: INN 7725403828. According to the Unified State Register of Legal Entities, SMU-07, LLC, was dissolved on 1 April 2021.

¹²⁹ OOO “СТРОЙ СЕРВИС”: INN 5015015182. According to the Unified State Register of Legal Entities, Stroy Servis, LLC, is in the process of dissolution as at 31 December 2021.

¹³⁰ See United States, Department of Treasury, “OFAC settles with TD Bank, N.A. for \$115,005.04 related to apparent violations of the North Korea sanctions regulations and the foreign narcotics kingpin sanctions regulations”, 23 December 2021. Available at https://home.treasury.gov/system/files/126/20211223_TDBNA.pdf.

have been in breach of paragraph 16 of Security Council resolution [2321 \(2016\)](#).¹³¹ Action has been taken by both the United States authorities and the bank concerned.

Illicit generation of revenue through cyberactivities

182. The Panel has received information on cyberactors of the Democratic People's Republic of Korea continuing to target financial institutions and cryptocurrency firms and exchanges. According to a Member State, cyberactors of the Democratic People's Republic of Korea stole more than \$50 million between 2020 and mid-2021 from at least three cryptocurrency exchanges in North America, Europe and Asia, probably reflecting a shift to diversify cybercrime operations.

183. According to a recent report¹³² by a cybersecurity firm, cyberactors of the Democratic People's Republic of Korea stole a total of \$400 million worth of cryptocurrency in 2021 through seven intrusions into cryptocurrency exchanges and investment firms. These cyberattacks "made use of phishing lures, code exploits, malware, and advanced social engineering to siphon funds out of these organizations' Internet-connected 'hot' wallets into Democratic People's Republic of Korea-controlled addresses". The cryptocurrency funds that are acquired by the cyberactors of the Democratic People's Republic of Korea go through a careful money-laundering process in order to be cashed out.¹³³

184. The Panel continues its investigations on illicit activities of cyberactors of the Democratic People's Republic of Korea to acquire revenues.

VI. Unintended impact of sanctions¹³⁴

185. In paragraph 25 of its resolution [2397 \(2017\)](#), the Security Council reaffirmed that United Nations sanctions were 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 resolutions, and also stressed that it was the primary responsibility and need of the Democratic People's Republic of Korea to fully provide for the livelihood and needs of its people.

186. The current situation in the country is described by observers as close to a humanitarian crisis. This is due to a combination of the COVID-19 pandemic and the resulting border closure, probably the most important factor in the past two years,

¹³¹ It is stipulated in paragraph 16 of Security Council resolution [2321 \(2016\)](#) that States should take steps to limit the number of bank accounts to one per accredited diplomat of the Democratic People's Republic of Korea at banks in their territory.

¹³² See Chain Analysis, "North Korean hackers have prolific year as their unlaunched cryptocurrency holdings reach all-time high", 13 January 2022.

¹³³ Enforcing global compliance with anti-money-laundering obligations and covering the activity of non-bank financial institutions are key to combating the exploitation by the Democratic People's Republic of Korea of global financial systems for revenue generation.

¹³⁴ Two experts are of the view that the title of this section should be in line with the resolution language (unintended "consequences" of sanctions). Another expert expressed the view that this issue requires further discussion.

sanctions, natural disasters and changes in internal economic policy for greater use of administrative command methods.¹³⁵

187. The Panel's analysis, however, focuses on the unintended impact of the United Nations sanctions. Access to data and evidence is limited and there is no reliable methodology that disambiguates the effects of United Nations sanctions from other factors, including unilateral sanctions regimes and domestic socioeconomic problems.

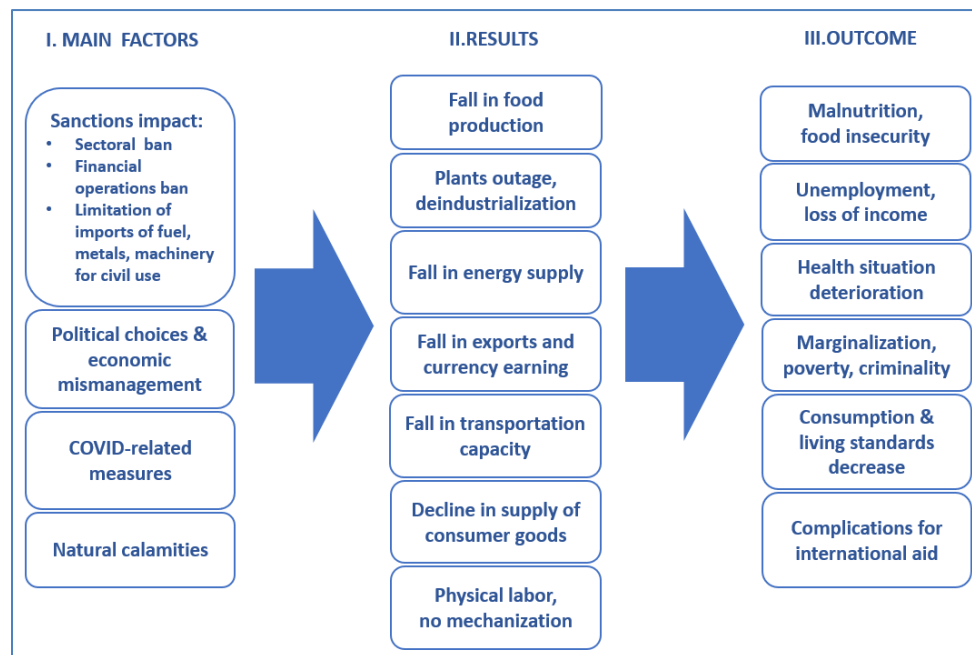
188. However, there can be little doubt that the United Nations sanctions have unintentionally affected the humanitarian situation and the right to development,¹³⁶ exacerbating the problems caused by the inward-looking centralized economic mismanagement by the Government of the Democratic People's Republic of Korea. Although the influence of sanctions is not the most important factor in the dismal humanitarian situation, it has not been negligible (see figure XLVI). As a result of the Security Council resolutions in 2016 and 2017, export and currency earnings declined, trans-border financial operations stopped and transportation encountered growing limitations, while foreign economic and financial entities started to avoid risks of any operations involving the Democratic People's Republic of Korea. This contributed to limiting the ability of the country to legally acquire humanitarian necessities and medical commodities, and the degradation of social services including health care (see annex 87; see also annex 88 for the Panel's pre-pandemic analysis of the possible factors of sanctions impact on humanitarian sphere).

¹³⁵ The tendency to limit market mechanisms and reintroduce state control over economy, especially in agriculture, was clearly visible at the fourth plenary meeting of Eighth Congress of the Workers' Party of Korea at the end of 2021. See "Let us strive for our great State's prosperity and development and our people's wellbeing: report on 4th plenary meeting of 8th C.C., WPK", *Rodong Sinmun*, 1 January 2022.

¹³⁶ This right for nation States is enshrined in the Declaration on the Right to Development, see General Assembly resolution 41/128, annex; and A/41/53. See also Office of the United Nations High Commissioner for Human Rights (OHCHR), "Discussion paper: implications of the Right to Development for the Democratic People's Republic of Korea and other United Nations Member States", August 2021, p. 11, in which it was proclaimed that "sanctions should always take full account of the provisions of the International Covenant on Economic, Social and Cultural Rights. See also www.ohchr.org/EN/HRBodies/CESCR/Pages/CESCRIndex.aspx.

Figure XLVI
United Nations sanctions as one of several factors causing humanitarian problems (examples)

(Factors retrospective since 2018 (after Security Council resolutions), outcomes 2020–2021)



Source: The Panel.

189. Any negative humanitarian effect of the sanctions is probably long-term and is not directly linked to COVID-related isolation. The Panel notes the comments on these issues by the Special Rapporteur on the situation of human rights in the Democratic People's Republic of Korea, Tomás Quintana.¹³⁷ In October 2021, China and the Russian Federation submitted a draft resolution to the Security Council calling for the relaxation of Democratic People's Republic of Korea-related sanctions, citing the absence of nuclear and long-range missile testing by the Democratic People's Republic of Korea since 2017.^{138,139}

190. International aid operations that have contributed to mitigating the above-mentioned negative effects have currently been drastically reduced. To assess the impact of sanctions and the COVID-19 pandemic on humanitarian operations, the Panel surveyed around 40 organizations (including both United Nations and non-governmental aid organizations), most of which had applied for exemption requests, either directly to the Committee, through the United Nations Resident

¹³⁷ The Special Rapporteur on the situation of human rights in the Democratic People's Republic of Korea, Tomás Quintana, noted in October 2021 that "sanctions imposed by the Security Council should be reviewed and eased when necessary both to facilitate humanitarian and life-saving assistance and to enable the promotion of the right to an adequate standard of living of ordinary citizens" (A/76/392).

¹³⁸ See www.nknews.org/2021/10/china-and-russia-submit-proposal-to-ease-un-sanctions-on-north-korea-sources.

¹³⁹ Four experts object to this sentence, believing that the reports of the Panel are not a place for political statements.

Coordinator or through a Member State (for the list of questions, see annex 89).¹⁴⁰ The following analysis is based mostly on the information received (see annex 90):

- Limitations by the Democratic People's Republic of Korea of all cross-border movements have complicated humanitarian operations. Most organizations had to suspend both implementation and monitoring efforts in 2021. Some retain a small local presence after the departure of international staff
- The absence of a banking channel is continuing to be a major issue leading to the depletion of cash reserves¹⁴¹
- The organizations are not very optimistic about the possibility of resuming their operations even when and if the borders are reopened

191. In August and September 2021, about 50 containers with medicines were delivered by the World Health Organization and the United Nations Population Fund to the Democratic People's Republic of Korea but subsequently placed in 90-day quarantine and a lengthy process of disinfection. By January 2022, no supplies have been reported to have reached their destination (see annex 91).¹⁴²

192. The non-governmental organizations (NGOs) in general approve of the measures by the Committee to streamline the process of obtaining exemptions.¹⁴³ However, they describe the need to further ease the procedures. Some NGOs suggest "permanent" or "blanket" exemptions for the projects.¹⁴⁴

Recommendations

193. **The Panel recommends that the Committee review the responses of NGOs to the Panel's survey (see annex 90) and consider contacts with civil society to tackle the complex issues of a humanitarian crisis in the Democratic People's Republic of Korea to help to substantiate future decision-making and to better assess humanitarian aid needs.**

194. **The Panel underlines the urgency of concrete measures for re-establishing the banking channel.**

195. **The Panel appreciates the biannual briefings by the relevant United Nations agencies on the unintended impact of sanctions and recommends that the Committee continue this practice.**

196. **The Panel recommends that the Security Council continue to address issues and processes that mitigate the potential 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 country's vulnerable population and overcome the consequences of the COVID-19 pandemic.**

¹⁴⁰ Responses to the Panel's inquiry were optional and had no bearing on the exemption approval processes.

¹⁴¹ World Food Programme (WFP), "WFP DPR Korea country brief", December 2021. Available at <https://reliefweb.int/sites/reliefweb.int/files/resources/WFP-0000135453.pdf>.

¹⁴² See www.nknews.org/2022/01/unicef-says-aid-has-cleared-north-korea-quarantine-on-its-way-for-distribution.

¹⁴³ Non-governmental organizations (NGOs) approve of the marked improvement in exemption-granting procedures by the Committee in accordance with the Committee's implementation assistance notice 7 and measures taken in the COVID-19 pandemic period, especially "the extension of the validity of the exemptions from six months to one year". However, as the previous analysis has shown, the idea of "permanent exemptions for humanitarian organizations" and introducing a "whitelist" for medical and agricultural equipment has many opponents.

¹⁴⁴ One NGO mentioned the compilation by the National Committee on the Democratic People's Republic of Korea (see www.ncnk.org) of information on the unintended effects of sanctions on the work of international organizations and NGOs.

197. The Panel notes the positive outcome of the Committee's efforts to streamline the processes and procedures for applying for humanitarian exemptions and recommends that the Committee continue these efforts, taking into account the suggestions by humanitarian actors.

VII. National implementation reports

Status of Member State reporting on the implementation of relevant resolutions

198. As at 28 January 2022, 66 Member States had submitted reports on their implementation of paragraph 8 of Security Council resolution [2397 \(2017\)](#), 81 Member States on paragraph 17 of resolution [2397 \(2017\)](#), 95 Member States on resolution [2375 \(2017\)](#), 90 Member States on resolution [2371 \(2017\)](#), 107 Member States on resolution [2321 \(2016\)](#) and 115 Member States on resolution [2270 \(2016\)](#). Despite the increase in overall reporting, the Panel notes that the number of non-reporting Member States (127, 1 of which served as a non-permanent member of the Council in 2020) for resolution [2397 \(2017\)](#) remains significant.

199. Separately, the overall response rate by Member States, entities and individuals to the Panel's enquiries about its investigations remains low. The Panel notes that Member States, entities and individuals should abide by the relevant Security Council resolutions to fully cooperate with the Panel's enquires.

VIII. Recommendations

200. For a consolidated list of recommendations, see annex 93.

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

During the reporting period DPRK maintained its strict COVID-19 blockade imposed in January 2020. Cross-border movement of people and trade were forbidden, and transport links into and out of the country have been frozen. It was only in mid-January 2022 that the cross-border rail link was cautiously re-opened and the “disinfection centre” at Sinuiju, constructed in March-April 2021, was probably used for the first time.

The diplomatic presence in Pyongyang shrunk still further; NGOs are represented by local staff.

Maritime trade is at extremely low levels and has been fundamentally affected by the need for extended periods of off-shore quarantine, followed by time-consuming disinfection of cargoes. Foreign vessels are not permitted to enter DPRK ports.

Brief periods of apparent relaxation of these rules in order to permit extremely limited upticks in trade (for example in May 2021, and then again in September 2021) have been rapidly brought to an end. The global emergence of the Omicron variant appeared to have had a particularly strict impact on the imposition of the border closure.

DPRK continues to claim zero COVID-19 infections to WHO, although the numbers of those tested remains extremely low. The longer term plans of the DPRK government with regard to vaccination or relaxation of the blockade are not known. Media reports suggest that the DPRK government appears to be prepared to maintain the current disposition for several years.

Source: The Panel.

Annex 2: KCNA reporting of Kim Jong Un's speech at 8th Party Congress (excerpt related to nuclear and military developments)

Great Programme for Struggle Leading Korean-style Socialist Construction to Fresh Victory On Report Made by Supreme Leader Kim Jong Un at Eighth Congress of WPK

Date: 09/01/2021 | Source: Minju Choson KCNA

The report detailed the historic course of masterminding a great revolutionary turn for possessing the completely new nuclear capabilities aimed at attaining the goal of modernization of the nuclear force.

Under the direct guidance of the Party Central Committee, intermediate-range and intercontinental ballistic rockets of Hwasongpho series and submarine-launched and ground-based ballistic rockets of Pukguksong series were manufactured in our own style to meet their unique operational missions. This gave a clearer description of the status of our state as a nuclear weapons state and enabled it to bolster its powerful and reliable strategic deterrent for coping with any threat by providing a perfect nuclear shield.

In the period under review the already accumulated nuclear technology developed to such a high degree as to miniaturize, lighten and standardize nuclear weapons and to make them tactical ones and to complete the development of a super-large hydrogen bomb. By succeeding in the test-fire of ICBM Hwasongpho-15 on November 29, 2017, the Party Central Committee declared with pride to the world the accomplishment of the historic cause of building the national nuclear force and the cause of building a rocket power.

The great cause of building the national nuclear force, which was impossible to achieve even in 20 to 30 years in terms of existing formula, was accomplished four years after the line of simultaneously promoting economic construction and nuclear buildup was set forth and one year after the Seventh Congress of the Party. This is a miracle unprecedented in history and the exploit of greatest significance in the history of the Korean nation the Seventh Central Committee performed for the Party and revolution, the country and people and posterity.

The Party Central Committee achieved new great victories by vigorously leading the struggle for upgrading the nuclear force even after the great historic November event in 2017.

Recalling that the Party Central Committee decided to develop a global strike rocket with more powerful warheads and an improved warhead control system and carried out this historic task by relying on the patriotism and loyalty of national defence scientists, the report affirmed that the new-type gigantic rocket on an 11-axis self-propelled launcher displayed during the military parade in celebration of the 75th founding anniversary of the Party fully demonstrated the ultra-modernity and great striking capability of our nuclear force.

The accomplishment of the great cause of building the national nuclear force and its continued development constitute a victory of the organizational and leadership abilities of the Party Central Committee headed by Kim Jong Un and a great victory of the national defence scientists and all other Koreans who waged a death-defying struggle with an indomitable faith in independence and valiant spirit.

The report reviewed the fact that new cutting-edge weapon systems were developed in the sector of national defence science one after another to cope with the enemy's desperate arms buildup, thus making our state's superiority in military technology an irreversible one and putting its war deterrent and capability of fighting a war on the highest level.

The national defence science sector developed the super-large MLRS, a super-power attack weapon the world's weaponry field had never known, and proceeded to develop ultra-modern tactical nuclear weapons including new-type tactical rockets and intermediate-range cruise missiles whose conventional warheads are the most powerful in the world.

This enabled us to gain a reliable edge in military technology.

National defence scientists and workers in the munitions industry properly set the orientation of developing main tank of our style following the world's development trends and have begun to enter a new track of development while upgrading production processes. They also achieved such successes as developing world-class anti-air rocket complex, self-propelled gun howitzer and anti-armour weapons.

The report also noted that in the period under review the sector of national defence scientific research was conducting research into perfecting the guidance technology for multi-warhead rocket at the final stage, finished research into developing warheads of different combat missions including the hypersonic gliding flight warheads for new-type ballistic rockets and was making preparations for their test manufacture.

The report made public with pride that the standard of the goal in the modernization of medium-sized submarine was set correctly and it was remodelled experimentally to open up a bright prospect for remarkably enhancing the existing subsurface operational capabilities of our navy, that the design of new nuclear-powered submarine was researched and was in the stage of final examination and the designing of various electronic weapons, unmanned striking equipment, means of reconnaissance and detection and military reconnaissance satellite were completed, and that other achievements were made in national defence research of gigantic significance in developing the People's Army into a powerful one with the strongest military muscle in the world.

The report evaluated that the bold leap forward brought about in the national defence science and munitions industry made sure that the country ranked high in the world in terms of defence capabilities and, at the same time, it was of great significance in realizing the strategic plan of the Party Central Committee for developing the overall Korean revolution.

The report said that a great advance was made in the work of turning the People's Army into elite forces in the period under review.

It is necessary to develop the nuclear technology to a higher level and make nuclear weapons smaller and lighter for more tactical uses. This will make it possible to develop tactical nuclear weapons to be used as various means according to the purposes of operational duty and targets of strike in modern warfare, and continuously push ahead with the production of super-sized nuclear warheads. In this way we will be able to thoroughly contain, control and handle on our own initiative various military threats on the Korean peninsula, which are inevitably accompanied the nuclear threat.

Source: Minju Choson KCNA (in bold and underlined by the Panel).

Annex 3: Construction activities in the southern area of the LWR (39°47'40"N 125°45'18"E)



Source: Planet Labs Inc.

Annex 4: 5MW(e) intermittent cooling water discharge (39°47'53"N 125°45'24"E)



Source: Planet Labs Inc.

Annex 5: 50MW(e) reactor spent fuel storage building (39°47'17"N 125°45'43"E)

The Panel notes that the 50MW(e) reactor complex was previously believed to be abandoned and its construction was never completed. After the visit by a delegation from Stanford University to Yongbyon and their discussions with DPRK officials in August 2007, Stanford experts concluded that 50MW(e) reactor was “likely no longer salvageable”.¹



Source: Planet Labs Inc.

¹ Center for International Security and Cooperation, Stanford University, https://fsi-live.s3.us-west-1.amazonaws.com/s3fs-public/khucisacfinalreport_compressed.pdf.

Annex 6: Excerpt of IAEA Director General's Introductory Statement to the Board of Governors (24 November 2021)

Since my report to the Board and General Conference in August of this year we have continued to monitor the DPRK nuclear programme. There are ongoing indications consistent with the operation of the 5MW(e) reactor at the Yongbyon site. There continue to be no indications of operation of the Radiochemical Laboratory since early July 2021. We have observed new and ongoing construction activities at the Yongbyon site, including construction of an annex to the Yongbyon reported Centrifuge Enrichment Facility, the purpose of which has yet to be determined. Near the light water reactor (LWR) under construction a new building is being built, possibly to support reactor construction or maintenance activities. There are ongoing indications of activities at the Kangson complex and the Pyongsan Mine and Concentration Plant.

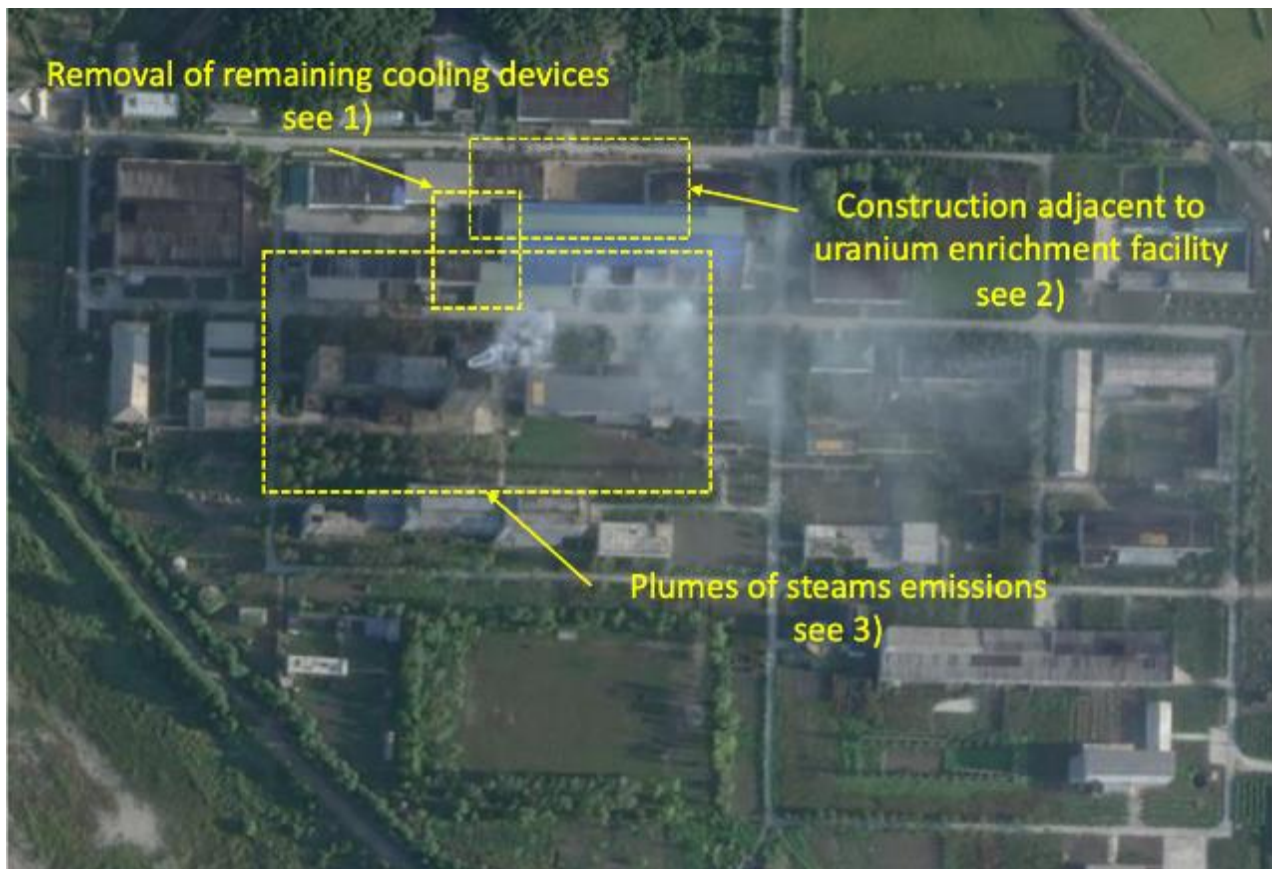
The continuation of the DPRK's nuclear programme is a clear violation of relevant UN Security Council resolutions and is deeply regrettable.

I call upon the DPRK to comply fully with its obligations under relevant UN Security Council resolutions, to cooperate promptly with the Agency in the full and effective implementation of its NPT Safeguards Agreement and to resolve all outstanding issues, especially those that have arisen during the absence of Agency inspectors from the country.

The Agency continues to maintain its enhanced readiness to play its essential role in verifying the DPRK's nuclear programme.

Source: IAEA, IAEA Director General's Introductory Statement to the Board of Governors (24 November 2021) <https://www.iaea.org/iaea-director-generals-introductory-statement-to-the-board-of-governors-24-november-2021> (accessed on 10 December 2021).

Annex 7: Activities at the Yongbyon Centrifuge Plant (39°47'17"N 125°45'43"E)



Source: Planet Labs Inc. (15 September 2021).

1) The removal of remaining cooling devices ($39^{\circ} 46' 15''$ N $125^{\circ} 44' 56''$ E)²



Source: Planet Labs Inc.

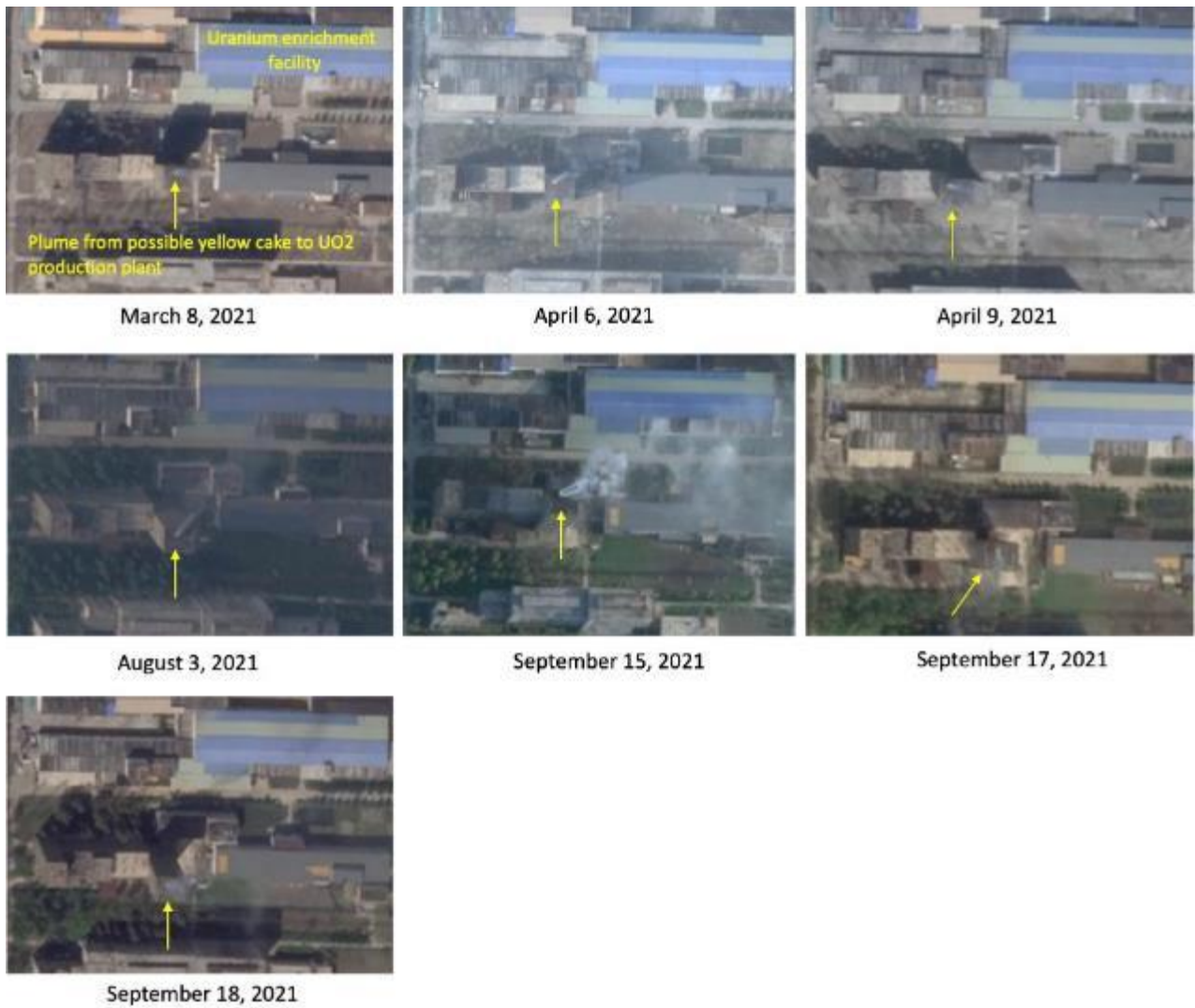
² According to Member State information, one of the six cooling devices at this uranium enrichment facility was removed in March 2020 and satellite imagery from March to June 2020 analyzed by the Panel showed the removal of one of the devices (see S/2020/840, para. 3).

2) Construction adjacent to uranium enrichment facility (39°46'15"N 125°44'58"E)



Source: Planet Labs Inc.

3) Plumes of steam from UO₂ production plant (39°46'12"N 125°44'55"E)



Source: Planet Labs Inc.

Annex 8: Construction at pilot fuel fabrication plant (39°48'06"N 125°45'17"E)



Source: Planet Labs Inc.

Annex 9: Activities at Pyongsan Uranium Mine and Concentration Plant (location of the possible yellowcake production building at 38°19'04"N 126°25'54"E)



Source: Planet Labs Inc. (26 September 2021).

1) New construction of building and the installation of conveyor at the mine (38°20'00"N 126°27'24"E)



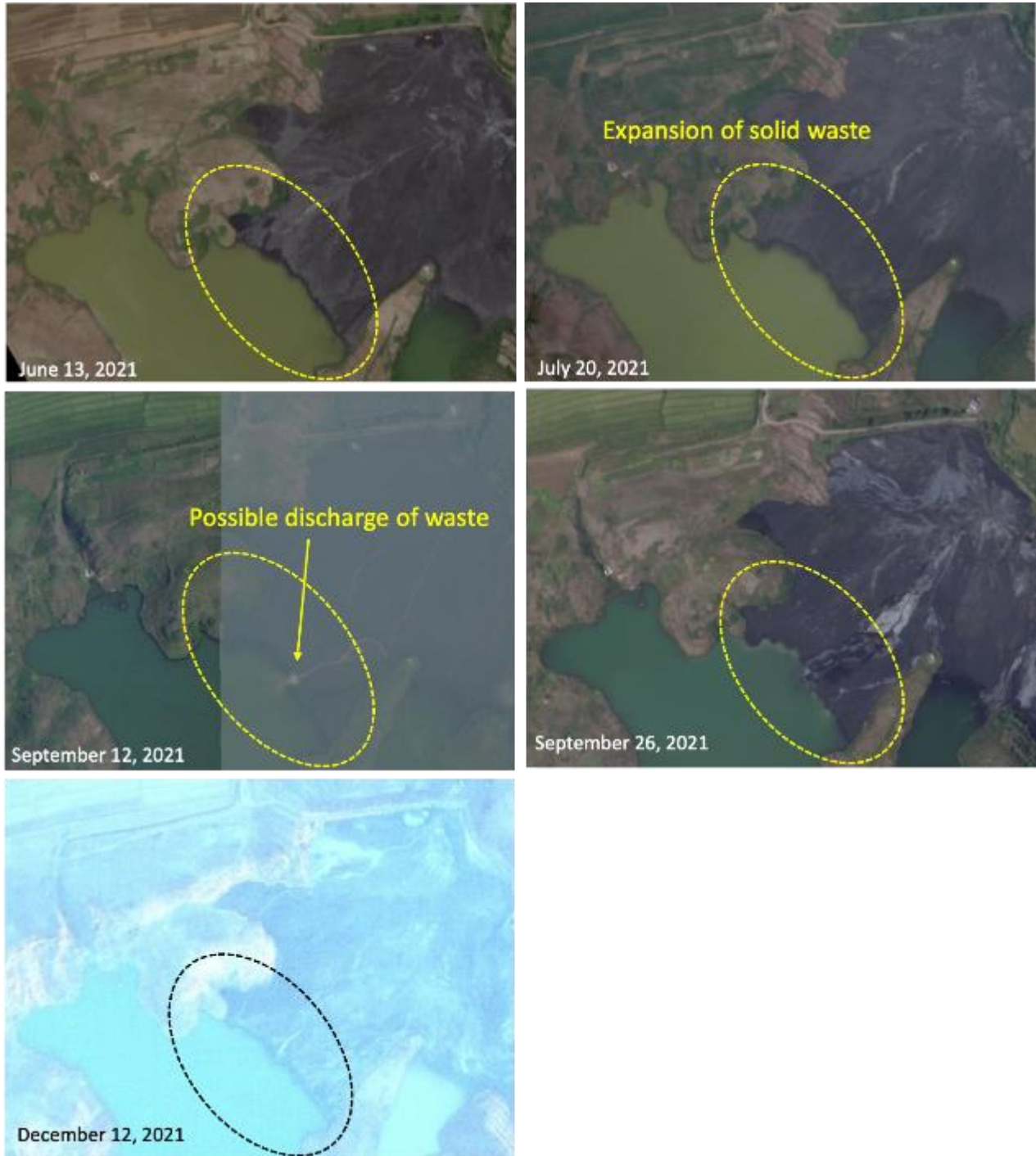
Source: Planet Labs Inc.

2) Railcar activities at Pyongsan Uranium Concentration Plant (38°19'03"N 126°25'56"E and 38°18'59"N 126°25'52"E)



Source: Planet Labs Inc.

3) Tailings pond of Pyongsan Uranium Concentration Plant (38°18'40"N 126°25'44"E)



Source: Planet Labs Inc.

Annex 10: Activities at Kangson (38°57'29"N 125°36'43"E and 38°57'29"N 125°36'44"E)

Source: Planet Labs Inc.

Annex 11: Activities at Yongdoktong

1) Near the entrance of tunnels (40°01'51"N 125°18'28"E)



Source: Planet Labs Inc.

2) Around the entrance of tunnels (40°01'50"N 125°18'35"E)



Source: Planet Labs Inc.

3) Possible storage for explosives in Yongdoktong area (40°01'50"N 125°18'35"E)

Possible storage for explosives has been observed. The purpose of this facility remains unclear, however, the Panel corroborated the observation of outside expert.



September 26, 2021





September 26, 2021






Source: Planet Labs Inc.



Annex 12: Table summarizing specific scientific collaboration projects between institutes in the Democratic People's Republic of Korea and universities in China




(1) List of joint studies³. DPRK scientists with underlined names are concurrently affiliated with Chinese universities.






No.	Institute in China	DPRK Institutes	Year	Journal or Subject -source of information-	Title and web reference of the source of information	Authors
11		Pyongyang University of Mechanical Engineering	2019	Thin-Walled Structures Volume 142, September 2019, Pages 262-276	A domain decomposition method for elastodynamic problems of functionally graded elliptic shells and panels with elastic constraints https://www.sciencedirect.com/science/article/abs/pii/S0263823119300370	Choe Kwangnam Department of Light Industry Machinery Engineering, Pyongyang University of Mechanical Engineering, Pyongyang, 999093. Ri Kwangchol Department of Light Industry Machinery Engineering, Pyongyang University of Mechanical Engineering, Pyongyang 999093. 


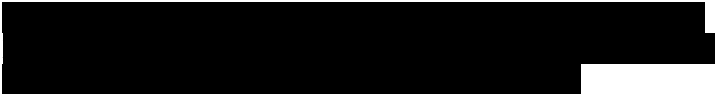
³ About **Choe Kwangnam**; **Ri Kwangchol**; **Yun Kumchol**; S/2021/777, annex 13.


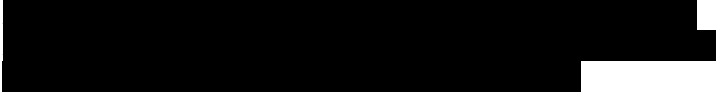

No.	Institute in China	DPRK Institutes	Year	Journal or Subject -source of information-	Title and web reference of the source of information	Authors
13		Pyongyang University of Mechanical Engineering	2018	Composites Part B: Engineering Volume 155, 15 December 2018, Pages 369-381	Three-dimensional exact solution for vibration analysis of thick functionally graded porous (FGP) rectangular plates with arbitrary boundary conditions https://www.sciencedirect.com/science/article/abs/pii/S1359836818325836	 Choe Kwangnam, Department of Light Industry Machinery Engineering, Pyongyang University of Mechanical Engineering, Pyongyang, 999093 
19		Pyongyang University of Mechanical Engineering	2018	Composite Structures Volume 194, 15 June 2018, Pages 413-432	Free vibration analysis of coupled functionally graded (FG) doubly-curved revolution shell structures with general boundary conditions https://www.sciencedirect.com/science/article/abs/pii/S0263822318307232	Choe Kwangnam Department of Light Industry Machinery Engineering, Pyongyang University of Mechanical Engineering, Pyongyang, 999093 



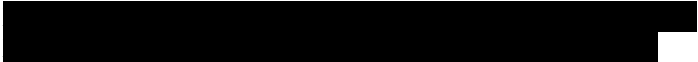
No.	Institute in China	DPRK Institutes	Year	Journal or Subject -source of information-	Title and web reference of the source of information	Authors
22		Kim Il Sung University	2019	International Journal of Modern Physics B Vol. 33, No. 21, 1950235 (2019)	Entanglement of two distant quantum dots with the flip-flop interaction coupled to plasmonic waveguide https://www.worldscientific.com/doi/abs/10.1142/S0217979219502357	Ko Myong-Chol Faculty of Physics, Kim Il Sung University, Pyongyang, Democratic People's Republic of Korea Kim Nam-Chol (nc.kim@ryongnamsan.edu.kp) idem Ryom Ju-Song idem Ri Su-Ryon idem 


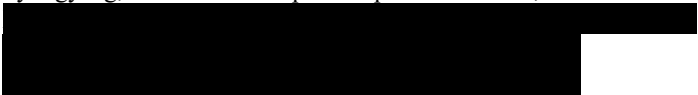
No.	Institute in China	DPRK Institutes	Year	Journal or Subject -source of information-	Title and web reference of the source of information	Authors
35		Kim Il Sung University & Kim Chaek University of Technology;	2019	Science & Technology - Other Topics	<p>Study on synthesis and application of tetrabasic lead sulfate as the positive active material additive for lead-acid batteries</p> <p>https://royalsocietypublishing.org/doi/full/10.1098/rsos.190882</p>	<p>Kim Myonghak; (kmh311@163.com) Faculty of Applied Chemical Engineering, Kim Chaek University of Technology, No. 60 Pyongyang Kyogu, and </p> <p>Kim Mungi Faculty of Applied Chemical Engineering, Kim Chaek University of Technology, No. 60 Pyongyang Kyogu,</p> <p>Jong Songchol idem</p> <p>Pak Ilman idem</p> <p>Kim Ganghyok idem </p> <p>Ri Cholnam Institute for Electronic Materials, Kim Il Sung University, Pyongyang,</p>

No.	Institute in China	DPRK Institutes	Year	Journal or Subject -source of information-	Title and web reference of the source of information	Authors
44		Pyongyang University of Architecture	2018	IEEE-Sensors Journal (Institute of electrical and electronics engineers) Volume: 18, Issue: 11, June1, 1 2018). DOP: 18 April 2018; DOI: 10.1109/JSEN.2018.2828139	Structural Displacement Monitoring Using Smartphone Camera and Digital Image Correlation https://ieeexplore.ieee.org/abstract/document/8340774	 Ri Kwang School of Civil Engineering, Pyongyang University of Architecture, Pyongyang 1001 and 
52		Kim Il sung University & Kim Chaek University of Technology	2019	Applied Sciences Volume 9 Issue 2 10.3390/app9020314	A Damage Model Reflecting the Interaction between Delamination and Intralaminar Crack for Failure Analysis of FRP Laminates https://www.mdpi.com/2076-3417/9/2/314	Yun Kumchol; (yunkumchol@163.com) Faculty of Mechanics, Kim Il Sung University, Pyongyang 950003 Kwak Songhun Faculty of Mechanical Engineering, Kimchaek University of Technology, Pyongyang 950003,  Kim Jonggun Information Center, Kim Il Sung University, Pyongyang 950003. Ri Cholsu Faculty of Mechanics, Kim Il Sung University, Pyongyang 950003.

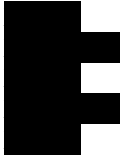



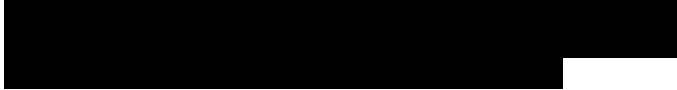

No.	Institute in China	DPRK Institutes	Year	Journal or Subject -source of information-	Title and web reference of the source of information	Authors
53		Kim Chaek University of Technology & Department of Chemistry, University of Science, Pyongyang	2018	Chemical Physics Letters Volume 699, May 2018, Pages 199-207	Adsorption of 1-naphthyl methyl carbamate in water by utilizing a surface molecularly imprinted polymer https://www.sciencedirect.com/science/article/abs/pii/S0009261418302422	<p>So Juhyok (so_juhyok@163.com) Department of Chemistry, University of Science, Pyongyang 950003.</p> <p>Pang Cholho Department of Material Engineering, Kimchaek University of Technology, Pyongyang 950003</p> <p></p> <p>Jang Paeksan Nano-physical Engineering Institute, Kimchaek University of Technology, Pyongyang 950003</p> <p>U Juhyok Kimchaek University of Technology Library, Pyongyang 950003</p> <p>Ri Kumchol Department of Life Science, University of Science, Pyongyang 950003</p> <p>Yun Cholyong Physical Engineering Department, Kimchaek University of Technology, Pyongyang 950003, and Faculty of Mechanics, Kim Il Sung University, Pyongyang.</p>

No.	Institute in China	DPRK Institutes	Year	Journal or Subject -source of information-	Title and web reference of the source of information	Authors
54		Kim Il Sung University & Kim Chaek University of Technology & Chongjin Mine & Metal University	2019	Computers & Structures Volume 215, 15 April 2019, Pages 65-79	A computational methodology for simulating quasi-brittle fracture problems https://www.sciencedirect.com/science/article/abs/pii/S004579491831513X	<p>Yun Kumchol (yunkumchol@163.com) Faculty of Mechanics, Kim Il Sung University, Pyongyang 950003, Democratic People's Republic of Korea</p> <p></p> <p>Kim Tae-Jong Faculty of Mechanical Engineering, Kimchaek University of Technology, Pyongyang.</p> <p>Son Namjin Faculty of Mechanics, Kim Il Sung University, Pyongyang.</p> <p>Ji Kyongsu Department of Information Engineering, Chongjin Mine & Metal University, Chongjin.</p> <p></p>

No.	Institute in China	DPRK Institutes	Year	Journal or Subject -source of information-	Title and web reference of the source of information	Authors
65		Kim Chaek University of Technology	2019	Fullerenes, Nanotubes and Carbon Nanostructures Volume 27, 2019 - Issue 4	The enhanced and polarized Raman spectra on the spherical aluminum powders encapsulated within graphene nanosheets https://www.tandfonline.com/doi/abs/10.1080/1536383X.2018.1480477	Ju Jong-Min (jjm218@163.com) Department of Materials Science and Engineering, Kimchaek University of Technology, Pyongyang, and from   Kim Dang-Ho Department of Materials Science and Engineering, Kimchaek University of Technology, Pyongyang Yu Tok-Chol Department of Materials Science and Engineering, Kimchaek University of Technology, Pyongyang Pak Kyong-Song Department of Materials Science and Engineering, Kimchaek University of Technology, Pyongyang, Democratic People's Republic of Korea

No.	Institute in China	DPRK Institutes	Year	Journal or Subject -source of information-	Title and web reference of the source of information	Authors
77		Kim Il Sung University & Kim Chaek University of Technology	2018	Protection of Metals and Physical Chemistry of Surfaces volume 54, pages1059–1065(2018)	Excellent Anti-Corrosive Composite Coating Containing Iron Oxide on AZ31B Mg Alloy https://link.springer.com/article/10.1134/S2070205118060199	<p><u>Pak Sung-Nam</u> Department of Energy Science, Kim Il Sung University, 999093, Pyongyang, Democratic People's Republic of Korea, and </p> <p>Ju Kyong-Sik Institute of Advanced Science, Kim Il Sung University, 999093, Pyongyang, Democratic People's Republic of Korea</p> <p>Yun Chol-Yong Kimchaek University of Technology, 950003, Pyongyang, Democratic People's Republic of Korea</p> <p>Kim Man-Ho Department of Energy Science, Kim Il Sung University, 999093, Pyongyang, Democratic People's Republic of Korea</p> <p>Ko Myong-Son idem</p> <p>Ryang Sok-Jin idem</p> <p>Kim Chol-Jin idem</p> <p>U Ju-Hyok Kimchaek University of Technology, 950003, Pyongyang, Democratic People's Republic of Korea</p> <p>Pak Kyong-Song Idem</p>

No.	Institute in China	DPRK Institutes	Year	Journal or Subject -source of information-	Title and web reference of the source of information	Authors
92		Kim Il Sung University	2017	International Journal of Systematic and Evolutionary Microbiology Volume 67, Issue 10	Sphingomonas antarctica sp nov., isolated from Antarctic tundra soil https://www.microbiologyresearch.org/content/journal/ijsem/10.1099/ijsem.0.002253?crawler=true	 Kim Myong Chol College of Life Sciences, Kim Il Sung University, Pyongyang, DPR of Korea, and
95		Kim Chaek University of Technology	2019	Chinese Journal of Geophysics (in Chinese) 2019, Vol. 62 Issue (6): 2139-2149	2D joint inversion of MT, gravity, magnetic and seismic first-arrival wave travel time with cross-gradient constraints http://en.igg-journals.cn/article/doi/10.6038/cjg2019L0713	 Pak YongChol Resource Exploration and Engineering Department, Kimchaek University of Technology, Pyongyang 999093

No.	Institute in China	DPRK Institutes	Year	Journal or Subject -source of information-	Title and web reference of the source of information	Authors
123		Kim Chaek University of Technology & Hamhung University of Chemical Industry	2018	岩土力学 Rock and Soil Mechanics 39(6):2211-2218	Determination of rock mass mechanical parameters based on quantification and correction method of GSI value http://ytlx.whrsm.ac.cn/EN/10.16285/j.rsm.2016.2174	<u>Kang Kwang-song</u> School of Mining Engineering, Kim Chaek University of Technology, Pyongyang 999093, DPR of Korea, and  <u>Hong Gun-yi</u> School of Mining Engineering, Kim Chaek University of Technology, Pyongyang 999093, DPR of Korea  <u>Pang Gyong-jin</u> Information Technology Exchange Center, Hamhung University of Chemical Industry, Pyongyang 999093, DPR of Korea
127		Department of Engineering, University of Science	2019	International Journal of Engineering Science Volume 142, September 2019, Pages 20-35	An efficient approach for post-buckling analysis of sandwich structures with elastic-plastic material behavior https://www.sciencedirect.com/science/article/abs/pii/S0020722519308900	 <u>Choe Jongchol</u> Department of Engineering, University of Science, Unjong District, Pyongyang, and 

No.	Institute in China	DPRK Institutes	Year	Journal or Subject -source of information-	Title and web reference of the source of information	Authors
128		Department of Engineering, University of Science	2019	Thin-Walled Structures Volume 143, October 2019, 106204	The effects of kinematics on post-buckling analysis of sandwich structures https://www.sciencedirect.com/science/article/abs/pii/S0263823119303076	 <u>Choe Jongchol</u> Department of Engineering, University of Science, Unjong District, Pyongyang, Democratic People's Republic of Korea and

Source: The Panel from various scientific article databases (see inside the table).

Annex 13: Reply from China to the Panel

6. ITT (OC.324)

China has always been strictly implementing the relevant provisions of the Security Council resolutions and has stepped up examination over academic exchanges and cooperation. According to the investigation, there are no prohibited academic exchanges or scientific collaborations between Chinese universities and the DPRK side.

Source: The Panel.

Annex 14: Pyongyang University of Science & Technology (PUST)

(1) About PUST

PUST was established after the agreement between the DPRK authorities and the Northeast Asia Foundation for Education and Culture (NAFEC), a non-profit organisation located in Seoul, the Republic of Korea, in 2001 prior to the opening of the University in 2010. PUST operates under the leadership of the NAFEC Board of Directors.

Source: PUST website, <https://pust.co/index.php/about-pust/leadership/> (accessed on 29 December 2021).

Source: PUST website, <https://pust.co/index.php/about-pust/facts/> (accessed on 29 December 2021).

(1) Exchange cooperation by “Studying abroad”

The NAFEC website says “Study Abroad: Since 2012, we have been studying for master's degrees at several excellent universities such as Sweden and Brazil, starting with Manchester University and University of Cambridge in the UK. As of 2020, a total of 6 students are studying abroad at the Faculty of Agriculture and Life Sciences, including two PhD students at the University of Cambridge, 2 people at Northeast Forestry University (Harbin), and 2 people at Yanbian University”.



Source: Northeast Asia Education and Culture Cooperation Foundation website, http://neafound.org/new/bbs/board.php?bo_table=pust4 (accessed 29 December 2021).



(2) International Conference

The website explains about the 4th International Conference:

- Period: 3-4 October 2019
- Content: Keynote speech and thesis presentation in five divisions (Computer Science, General Engineering, Agriculture & Life Science, Medical Science, Int'l Finance & Management)
- Participant: Novoselov Konstantin (Nobel Prize in Physics), 42 speakers from 15 countries including Paserin Vladimir, 51 participants from 13 countries, 38 participants from embassies.

●제4차 국제학술대회

- 기간: 2019.10.3 ~4
- 내용: Key note speech 및 5개분야별 논문발표(Computer Science, General Engineering, Agriculture & Life Science, Medical Science, Int'l Finance & Management)
- 참가자: Novoselov Konstantin(노벨 물리학상 수상), Paserin Vladimir 외 15개국 42명의 발표자, 13개국 51명 참석, 각국 대사관 38명

[이용약관] [개인정보처리방침]

사단법인 동북아교육문화협력재단 (대표자명: 곽선희) 사업자등록번호: 220-82-01064

사업장 주소: 서울시 강남구 영동대로 112길 42, 2층(삼성동, 인우빌딩) 전화: 02-561-2445 메일: pustaefec@gmail.com

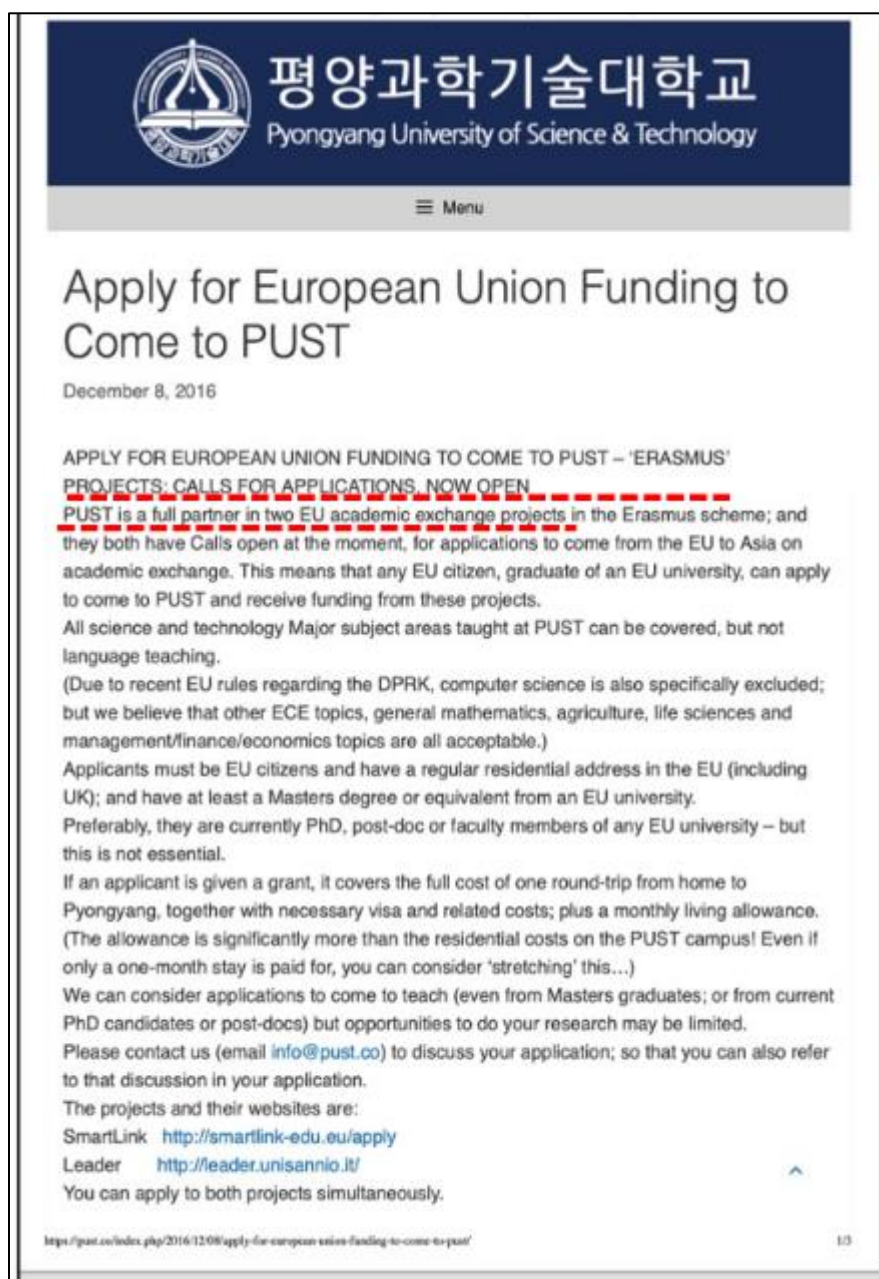
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Source: Northeast Asia Education and Culture Cooperation Foundation website,
http://neafound.org/_new/bbs/board.php?bo_table=pust4 (accessed 29 December 2021).

Annex 15: Websites of Pyongyang University of Science & Technology (PUST) and Erasmus+

The PUST website also refers to funding from Erasmus+ or academic exchange projects (see figure 15-1), whilst the Erasmus+ website lists DPRK as an “eligible country” for sponsorship (see figure 15-2). The Panel asked the EU about the status of academic exchanges involving DPRK scientists, and whether these exchanges have continued in any field or activity relevant to paragraph 17 of resolution 2270 (2016) and paragraph 10 of resolution 2321 (2017). The EU has yet to respond.

Figure 15-1: PUST website about the funding from Erasmus+



Source: Pyongyang University of Science & Technology, <https://pust.co/index.php/2016/12/08/apply-for-european-union-funding-to-come-to-pust/> (accessed 29 December 2021).

Figure 15-2: Erasmus+

The screenshot displays the Erasmus+ Programme Guide website. The header includes the European Commission logo and the text 'Erasmus+ EU programme for education, training, youth and sport'. A navigation bar contains links to 'Introduction to the Programme Guide', 'Part A: General information about the Erasmus+ Programme', 'Part B: Information about the actions covered by this guide', 'Part C: Information for applicants', and 'Part D: Glossary of terms'. A search bar is located below the navigation bar. The main content area is titled 'Eligible countries' and lists EU Member States and associated third countries. A sidebar on the left contains a table of contents with links to 'Overview', 'Eligible countries', 'Important characteristics of this Erasmus+ Programme', 'Priorities of the Erasmus+ Programme', 'What are the objectives and important features of the Erasmus+ Programme?', and 'What is the budget?'. A 'Download' button is visible on the right side of the page.

Erasmus+
EU programme for education, training, youth and sport

Introduction to the Programme Guide • **Part A: General information about the Erasmus+ Programme •** Part B: Information about the actions covered by this guide • Part C: Information for applicants • Part D: Glossary of terms •

You are here: Home / Part A: General information about the Erasmus+ Programme

Search the guide

Eligible countries

EU Member States take part in the Erasmus+ Programme. In addition, in accordance with article 10 of the Erasmus+ Regulation, the following third countries are associated to the programme¹:

- members of the European Free Trade Association (EFTA) which are members of the European Economic Area (EEA): Norway, Iceland, Liechtenstein;
- acceding countries, candidate countries and potential candidates: Republic of North Macedonia, Republic of Turkey and Republic of Serbia;

The EU Member States and the above mentioned third countries associated to the programme will be hereafter called "Programme Countries".

Region 6 Asia⁸

Afghanistan, Bangladesh, Bhutan, Cambodia, China, DPR Korea, India, Indonesia, Laos, Malaysia, Maldives, Mongolia, Myanmar, Nepal, Pakistan, Philippines, Sri Lanka, Thailand and Vietnam

Region 7 Central Asia⁹

Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan, Uzbekistan

Region 8 Latin America¹⁰

Argentina, Bolivia, Brazil, Colombia, Costa Rica, Cuba, Ecuador, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru, Venezuela

Region 9¹¹

Iran, Iraq, Yemen

Region 10¹²

South Africa

Source: EU, https://erasmus-plus.ec.europa.eu/programme-guide/part-a/eligible-countries#footnote8_7aqtz11 (accessed 29 December 2021).

Annex 16: Excerpt of the reply from the Northeast Asia Foundation for Education and Culture (NAFEC)

1) PUST students studying abroad

The Panel asked NAFEC concerning the status of academic exchanges involving DPRK scientists and whether these exchanges have continued in any field or activity relevant to paragraph 17 of resolution 2270 (2016) and paragraph 10 of resolution 2321 (2017). According to the Reply from the NAFEC to the Panel's enquiry, "Since the North Korea's border shutdown, upon the onset of the COVID pandemic on December 2019, no single academic exchange program was undertaken with foreign universities/research institutes...". NAFEC explained that no single lecturer was recruited from the Erasmus projects since 2016. NAFEC provided the Panel with the information of the 19 PUST (students' names, period of their study, degree, major and foreign universities' names) studying abroad since 2016 (see below).

Table : PUST students studying abroad

Location of university	Major	Degree	Period	Number of students
Europe	ALS	Ph.D.	2019.8-present	2
Europe	ALS	Ph.D.	2017.3-2019.12	2
South America	MBA	Master	2017.3-2019.10	2
Europe	ALS	Joint Research	2018.10-2019.4	3
Asia	ALS	Joint Research	2015.12-2016.9	2
Asia	ALS	Master	2016.8-2020.6	2
		Master	2019.9-present	2
Asia	ALS	Joint Research	2017.10-2019.10	2
		Ph.D.	2019.10-present	2

Source: NAFEC, annotated by the Panel.

NAFEC stressed that "...PUST students have nothing at all to do with the DPRK's proliferation sensitive nuclear activities, ballistic missile-related programs and other weapons of mass destruction programs. Other than PUST students, there are no cases DPRK academics coming through PUST programs for overseas exchanges."

2) Lecture subjects delivered at the PUST

Reply from the NAFEC stated that "...the lecture subjects delivered by the PUST include Basic Physics (lectured by a DPRK faculty member), Basic Computer Sciences, Basic Electrical Engineering, and Basic Industrial Engineering. Geospatial Navigation, Nuclear Engineering, Aerospace Engineering, Aeronautical Engineering, Advanced Material Science, Advanced Chemical Engineering, and Advanced Mechanical Engineering are not taught by the PUST at all."

3) Programme of “The 4th International Conference in 2019” held at PUST, DPRK

NAFEC provided the Panel with a comprehensive list of lectures of “The 4th International Conference in 2019” held at the PUST during October 3-4, 2019. Themes of each lecture are as follows:

Theme
Tunnelling Van Der Waals Heterostructures based on Graphene and Hexagonal Boron Nitride
Industry-University Collaborations: the driving force in new technology development
Deep Learning: Keeping it Simple
State of the Blockchain Industry
Smart Building & building transformation
Automation Engineering Education using multibody dynamics tool: A simulation-based Lab Case for inverted pendulum system
Development of flexible electrochemical heavy metal detection and glucose sensors using carbon non-composited and their facile microfabrication techniques
A new type of industrial robot control system based on motion modularity technology
3D technology for dental application
Bioinformatic predictions of the Novel IncRNA encoded water channel in Gilmoa
Chemico-physical method for the transformation of various bacterial species
Local Feed resources base and range improvement for native pigs in Easter Samar, Philippines
Amperometric S-Nitrosothiol Sensor with big enhanced sensitivity using outer Dialysis membrane with Covalently linked Organoselenium Catalyst
Polarimetric Radar Vegetation Index for Biomass estimation in Semi-arid region
Current trends of implant dentistry: To maintain or establish and interproximal Papilla around integrated Implants – A Case Series
Molecular biological analysis of chronic hepatitis B with Delta
Demand Optimisation in diagnostics: Reducing Variation in diagnostic testing in NHS Western Isles
Knowledge, Attitudes and practices towards Antibiotic Use in Upper Respiratory Tract infections among patients seeking primary health care in Singapore
Monitoring of Cholesterol levels in a remote and rural population of patients, pre and post treatment with statins
What are the barriers to antenatal care utilization in Rufisque district, Senegal?: A bottle analysis
Designing powerful brand experiences that shape brand relevance
A global frontier analysis of untapped Regional economic integration Potential
International Build-Operate-Transfer Infrastructure Projects-The experience of China
A study on the conformity of goods and standards established by public law under the CISG
The role of academic society in promoting economic and humanitarian projects internationality

*The table was reconstructed by the Panel based on the information provided by the NAFEC.

Source: NAFEC, annotated by the Panel.

Annex 17: Website of Kim Chaek University of Technology

The website of Kim Chaek University of Technology (KCUT) currently indicates that ten people have been exchanged with “Malaysia IGS company (말레이시아IGS 회사)”, with an address in Kuala Lumpur. The Panel is investigating whether this company is related to the previously investigated front companies of Pan Systems Pte Ltd (aka Glocom), a DPRK manufacturer of military communications equipment. The Panel requested information from Malaysia on alleged (and possibly historical) technical exchanges between KCUT and “Malaysia IGS company”. Malaysia has yet to respond.



Source: Kim Chaek University of Technology, <http://www.kut.edu.kp/index.php/page/index?si=22> (accessed 30 December 2021).

Annex 18: Front companies of Pan Systems Pte Ltd (aka Glocom)

The Glocom website accessed by the Panel shows that International Golden Services Sdn Bhd represented Glocom (figure 18-1). Its address is identical to the address of International Global System Sdn Bhd, which is registered in the Malaysian corporate registry document (figure 18-2). Both companies were recommended for designation in previous Panel reports for involvement in the financing and sale of arms and related materials (figure 18-3).

Figure 18-1: Glocom website⁴



Same address

Source: The Panel

Figure 18-2: Corporate registry of International Global System Sdn Bhd

The screenshot shows the corporate information for International Global System Sdn Bhd from the SSM registry. The business address is highlighted with a red dashed box: NO.75-2, TINGKAT 2, JALAN THAMBYPILLAI, OFF JALAN TUN SAMBANTHAN, KUALA LUMPUR, WILAYAH PERSEKUTUAN. A red arrow points from this box to the contact information in Figure 18-1.

CORPORATE INFORMATION	
Name	INTERNATIONAL GLOBAL SYSTEM (M) SDN. BHD.
Last Old Name	: Nil
Date of Change	: Nil
Registration No.	: 20250308178 (716319-E)
Incorporation Date	: 29-11-2005
Registration Date	: Nil
Type	: LIMITED BY SHARES : PRIVATE LIMITED
Status	: DISSOLVED
Registered Address	: NO 4.11, 4TH FLOOR PERTAMA OFFICE TOWER COMPLEX JALAN THAMBY PILLAI KUALA LUMPUR WILAYAH PERSEKUTUAN
Postcode	: 50100
Origin	: MALAYSIA
Business Address	: NO.75-2, TINGKAT 2 JALAN THAMBYPILLAI OFF JALAN TUN SAMBANTHAN KUALA LUMPUR WILAYAH PERSEKUTUAN
Postcode	: 50470
Nature of Business	: 1. MULTIMEDIA AND ELECTRONIC COMMENCE 2. GENERAL TRADING

Business Address : NO.75-2, TINGKAT 2
JALAN THAMBYPILLAI
OFF JALAN TUN SAMBANTHAN
KUALA LUMPUR
WILAYAH PERSEKUTUAN

Postcode : 50470

Source: Suruhanjaya Syarikat Malaysia (SSM).

⁴ S/2017/150, annex 8-5.

Figure 18-3: The previous Panel's report

139. Although its activities constitute activities prohibited by relevant Security Council resolutions on the Democratic People's Republic of Korea and its Pyongyang operations were run by a Reconnaissance General Bureau agent (Ryang Su Nyo), Glocom has not been designated, despite the Panel's previous recommendation for such action. **The Panel therefore reiterates its previous recommendations for the designation of Pan Systems to be accompanied by the names of all of its front companies (including Glocom, International Golden Services and International Global System) as aliases, for involvement in the financing and sales of arms and related materiel.**

Name:	<u>Pan Systems Pte Ltd (Pyongyang branch)</u>
A.k.a:	<u>Wonbang Trading Co., Glocom, International Golden Services, International Global System</u>
Address:	Room 818, Pothonggang Hotel, Ansan-Dong, Pyongchon district, Pyongyang, Democratic People's Republic of Korea
Director:	Ryang Su Nyo
Employees:	Pyon Won Gun, Pae Won Chol, Ri Sin Song, Kim Sung Su, Kim Chang Hyok and Kim Pyong Chol
Telephone:	+850-218-111 (ext. 8636)

Source: The Panel (S/2019/171, para. 159 and annex 89 recommendation 6; S/2018/171, paras.174-176).

Annex 19: KCNA reporting of Kim Jong Un's speech at 8th Party Congress (excerpt related to military developments)

Great Programme for Struggle Leading Korean-style Socialist Construction to Fresh Victory On Report Made by Supreme Leader Kim Jong Un at Eighth Congress of WPK

Date: 09/01/2021 | Source: Minju Choson KCNA

*The report detailed the historic course of masterminding a great revolutionary turn **for possessing the completely new nuclear capabilities aimed at attaining the goal of modernization of the nuclear force.***

*Under the direct guidance of the Party Central Committee, **intermediate-range and intercontinental ballistic rockets of Hwasongpho series and submarine-launched and ground-based ballistic rockets of Pukkuksong series were manufactured in our own style** to meet their unique operational missions. This gave a clearer description of the status of our state as a nuclear weapons state and enabled it to bolster its powerful and reliable strategic deterrent for coping with any threat by providing a perfect nuclear shield.*

*In the period under review **the already accumulated nuclear technology developed to such a high degree as to miniaturize, lighten and standardize nuclear weapons and to make them tactical ones and to complete the development of a super-large hydrogen bomb.** By succeeding in the test-fire of ICBM Hwasongpho-15 on November 29, 2017, the Party Central Committee declared with pride to the world the accomplishment of the historic cause of building the national nuclear force and the cause of building a rocket power.*

*The great cause of building the national nuclear force, which was impossible to achieve even in 20 to 30 years in terms of existing formula, **was accomplished four years after the line of simultaneously promoting economic construction and nuclear buildup was set forth and one year after the Seventh Congress of the Party.** This is a miracle unprecedented in history and the exploit of greatest significance in the history of the Korean nation the Seventh Central Committee performed for the Party and revolution, the country and people and posterity.*

The Party Central Committee achieved new great victories by vigorously leading the struggle for upgrading the nuclear force even after the great historic November event in 2017.

*Recalling that the Party Central Committee **decided to develop a global strike rocket with more powerful warheads and an improved warhead control system** and carried out this historic task by relying on the patriotism and loyalty of national defence scientists, the report affirmed that the new-type gigantic rocket on an 11-axis self-propelled launcher displayed during the military parade in celebration of the 75th founding anniversary of the Party fully demonstrated the ultra-modernity and great striking capability of our nuclear force.*

The accomplishment of the great cause of building the national nuclear force and its continued development constitute a victory of the organizational and leadership abilities of the Party Central Committee headed by Kim Jong Un and a great victory of the national defence scientists and all other Koreans who waged a death-defying struggle with an indomitable faith in independence and valiant spirit.

The report reviewed the fact that **new cutting-edge weapon systems were developed in the sector of national defence science** one after another to cope with the enemy's desperate arms buildup, thus making our state's superiority in military technology an irreversible one and putting its war deterrent and capability of fighting a war on the highest level.

The national defence science sector **developed the super-large MLRS**, a super-power attack weapon the world's weaponry field had never known, and proceeded to **develop ultra-modern tactical nuclear weapons** including **new-type tactical rockets** and **intermediate-range cruise missiles** whose conventional warheads are the most powerful in the world.

This enabled us to gain a reliable edge in military technology.

National defence scientists and workers in the munitions industry properly set the orientation of developing main tank of our style following the world's development trends and have begun to enter a new track of development while upgrading production processes. They also **achieved such successes as developing world-class anti-air rocket complex**, self-propelled gun howitzer and anti-armour weapons.

The report also noted that in the period under review the sector of national defence scientific research was conducting research into **perfecting the guidance technology for multi-warhead rocket** at the final stage, finished research into **developing warheads of different combat missions including the hypersonic gliding flight warheads for new-type ballistic rockets** and was making preparations for their test manufacture.

The report made public with pride that the standard of the goal **in the modernization of medium-sized submarine was set correctly** and it was remodelled experimentally to open up a bright prospect for remarkably enhancing the existing subsurface operational capabilities of our navy, **that the design of new nuclear-powered submarine was researched** and was in the stage of final examination and the designing of various electronic weapons, unmanned striking equipment, means of reconnaissance and detection and military reconnaissance satellite were completed, and that other achievements were made in national defence research of gigantic significance in developing the People's Army into a powerful one with the strongest military muscle in the world.

The report evaluated that the bold leap forward brought about in the national defence science and munitions industry made sure that the country ranked high in the world in terms of defence capabilities and, at the same time, it was of great significance in realizing the strategic plan of the Party Central Committee for developing the overall Korean revolution.

The report said that a great advance was made in the work of turning the People's Army into elite forces in the period under review.

Source: Minju Choson KCNA (references to Ballistic Missiles in bold annotated by the Panel).

Annex 20: “Self-Defence 2021” arms exhibition on 12 October 2021 and the series of launch tests

Annex 20-1: New *hypersonic ballistic missile Hwasong-8*: last reported launch test on 28 Sept. 2021

The new “*hypersonic Hwasong-8 missile*” so called by the DPRK media was showcased at the exhibition “Self-Defence 2021” on 11 October 2021 and beforehand was probably tested on 28 September 2021 (see para. 23, annex 22)

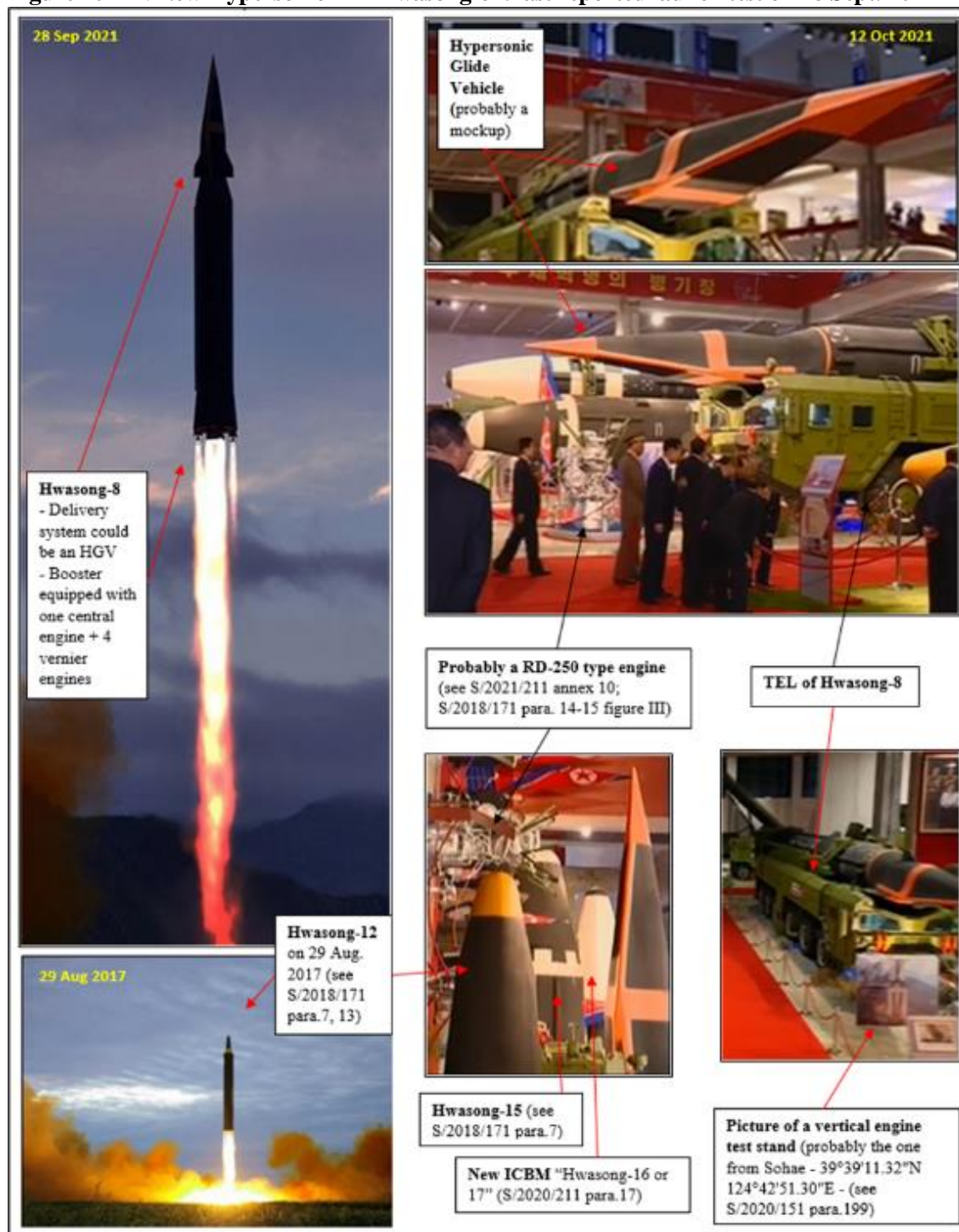
As demonstrated in KCNA pictures of the launch and as emphasized by KCTV coverage of the exhibition, the main missile body appeared to be made from a liquid propellant booster that resembled, but was probably shorter than, the single-stage Intermediary Range Ballistic Missile (IRBM) Hwasong-12⁵.

The re-entry vehicle displayed at the missile exhibition “Self-Defence 2021” appears to be the same as the one pictured on top of the tested booster, according to the KCNA picture (see figure 20-1-1). According to a Member State, the Hwasong-8 total length is around 14.5 m, with a diameter of 1.4 m. Concerning the re-entry vehicle, its length is around 4.7m with a rear diameter of around 0.9 m. The missile was reported by KCNA, citing Pak Jong Chon, to be a *Hypersonic Glide Vehicle (HGV)*. According to the observation of several Member States and experts, this HGV resembled the hypersonic ballistic missile showcased by a Member State at a military parade in 2019.

According to several Member States, the Hwasong-8 is at the early stage of development. The first flight test on 28 September 2021 may not have been successful as shown by the range and altitude flight of the missile. The hypersonic missile is a ballistic missile whose body is similar to that of the Hwasong-12. According to a Member State, the DPRK probably used the support of its cyber hackers to acquire or steal the technological information it needed to develop such a new weapon system, including the design of the hypersonic glide vehicle.

⁵ Hwasong-12 has been tested on 29 August and 15 September 2017, see S/2021/777 para.26, S/2019/171 para.174; S/2018/171 para.7, 12; S/2017/742 para.7-13. A Member State confirmed many similarities identified between the Hwasong-8 and Hwasong-12, with a similar diameter and motorisation based on the DPRK version of the USSR RD-250 engine.

Figure 20-1-1: New Hypersonic BM Hwasong-8 : last reported launch test on 28 Sept. 2021



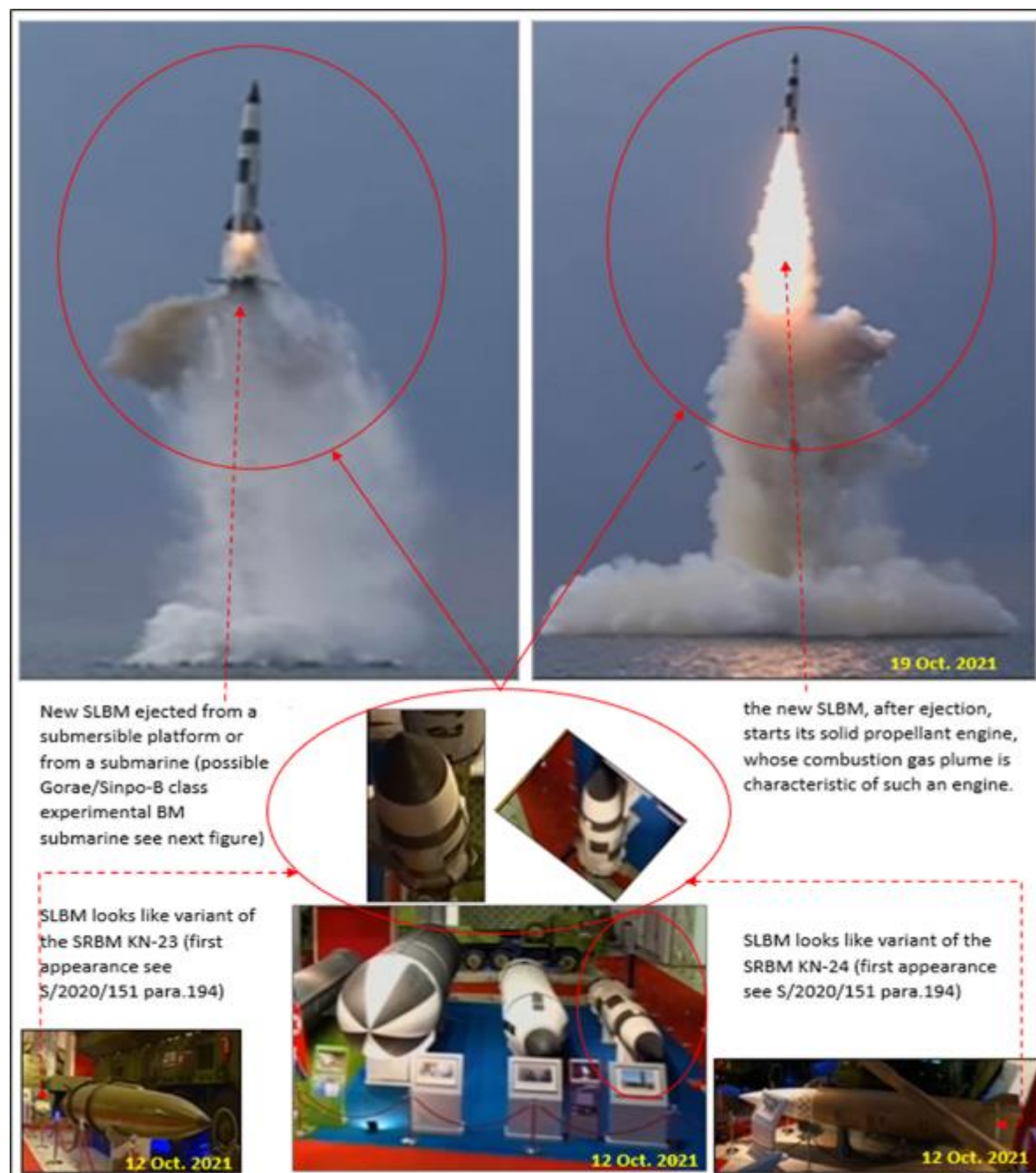
Source: KCTV, 12 October 2021, 8pm, and Rodong Sinmun (En), 29 September Juche 110 (2021)⁶.

⁶ Video on the "Self-Defence 2021" arms exhibition at "Three revolution Exhibition" (39° 04' 49" N 125° 45' 23" E) available at <https://kcnawatch.org/kctv-archive/61658f2826e3a/> and Article (original version at source): Hypersonic Missile Newly Developed by Academy of Defence Science Test-fired, Date: 29/09/2021, available at <https://kcnawatch.org/newstream/1632886875-742443353/hypersonic-missile-newly-developed-by-academy-of-defence-science-test-fired/?t=1642625103563and>

Annex 20-2: New SLBM launched from a submarine on 19 October 2021

It is smaller than the SLBM Pukguksong series, whose versions 5 and 1 are shown (from left) in the figure below to the left of the new SLBM. Its shape appears to be based on that of the SRBM KN-23 and KN-24 (see figure 20-2-1).

Figure 20-2-1: New SLBM test on 19 Oct. 2021



Source: KCTV, 20 October 2021, Full Broadcast; KCTV, 12 October 2021, 8pm video on the "Self-Defence 2021" arms exhibition at "Three revolution Exhibition" (39° 04' 49" N 125° 45' 23" E) available at <https://kcwawatch.org/kctv-archive/61658f2826e3a/>, annotated by the Panel

Annex 20-3: China's views on the missile launches**8. Launch activities (OC.300)**

Identifying the nature of the DPRK projectiles is a technical issue, and requires prudent assessment. Further research and assessment is also needed

8

to evaluate the DPRK's missile technology and military capability. Before coming to a clear conclusion, all sides should avoid identifying the nature of projectiles in a hasty manner or overacting, and prevent the escalation of tensions on the Peninsula. We hope the Panel of Experts could perform its duties in an objective and impartial manner, and play a constructive role in advancing the political settlement process of the Korean Peninsula. Malicious speculations should be avoided and controversial contents should not be included in the report.

Annex 21: From September 2021 to January 2022, the DPRK repeatedly tested two types of its new solid-fuelled SRBMs, which it called “*new tactical guided missiles*” (S/2021/211, figure 2). A railway-borne SRBM system⁷ (possible KN-23) was tested twice on 15 September 2021, as well as on 14 January 2022. A track-TEL borne system (possible KN-24) was tested again on 17 January 2022 (S/2020/151, para.194).

On 15 September 2021 (see figure 21-1)⁸ and 14 January 2022 the DPRK launched twice two solid-propellant short-range missiles combining ballistic missile and guidance technology identified by five Member States as SRBMs, and whose shape and flight characteristics (pull-up manoeuvre during flight) resembled the KN-23 with a reduced payload for the test of 15 September 2021 to be able to reach the unusual longer range. Its flight could also be similar to that of the new SRBM launched on 25 March 2021, identified as a possible modification and enlargement of the previously displayed and tested KN-23 SRBM.⁹

The two missiles of the 15 September 2021 (KN-23) were fired in five minutes from a railway-borne launcher located at 39°16'31"N 126°48'17"E (Yangdok area of South Phyongan, see figure 21-2)¹⁰, travelling in an easterly direction around 800 km with an apogee at around 60 km and impacting in the exclusive economic zone of Japan, 300 km north to Hegurajima island off the coast of Noto Peninsula after “a pull-up manoeuvre” detected during the flight.

⁷ A possible modified P61 railcars, see article “North Korea tests multiple long-range missile systems”, Janes on 2 November 2021 available at https://customer.janes.com/Janes/Display/BSP_8038-JIR and see <http://www.railway-parts.com/news/introduction-of-china-covered-wagon.html>

⁸ Pak Jong-chon, member of the Presidium of the Politburo of the Workers' Party and secretary of the Central Committee of the Workers' Party of Korea, guided the latest drills, along with other top officials of the Department of Political Leadership over Military Affairs, and officials of the Department of Munitions Industry (KPe.028)¹⁹ of the Central Committee of the Workers' Party of Korea, and leading officials of the General Staff of the Korean People's Army, and leading officials of the sector of research on national defence science. (KCNA)

⁹ The new SRBM was tested on 25 March 2021. See S/2021/777, para.16, table 1 and annexes 18-1 and 18-2.

¹⁰ Another location nearby was identified by a Member State at 39°16'2.04"N 126°47'17"E but this location is not totally relevant with the KCNA video giving an idea of the length of the tunnel and the curve of the track

The two missiles of 14 January 2022 (KN-23) were fired in 11 minutes from a railway-borne launcher (display at the “self-defence 2021” exhibition, see figure 9 from the main text) located in the area of Uiju, Phyongsan Province possibly in the rectangle S-W corner 40° 13' 10" N 124° 34' 02" E, N-E corner 40° 13' 06" N 124° 33' 57" E, see figure 21-3), travelling in an north-easterly direction around 400 to 430 km with an apogee between 36 and 50 km and impacting an uninhabited island (possible location 40° 38' 50" N 129° 33' 02" E") after a possible “pull-up manoeuvre” during the flight.

The two missiles of 17 January 2022 (KN-24) were fired in less than four minutes from a tracked TEL¹¹ (displayed at the “Self-defence 2021” exhibition, see figure 10 from the main text) located in the area of the Sunan Pyongyang international airport, possibly in the extreme north of the unused runway (39° 15' 44" N 125° 40' 34" E, see figure 21-4), traveling in an easterly direction around 300 to 380km with an apogee between 42 and 50km and impacting an uninhabited island (possible location 40° 38' 50" N 129° 33' 02" E") after a possible “pull-up manoeuvre” during the flight.

¹¹ The TEL chassis may be based on the DPRK Pokpung-ho battle tank chassis, derived from T62 and T72 (S/2020/151, annex 58.4.2).

Figure 21-1: 15 Sep .2021 - Two ballistic missiles launched from a railway-borne platform



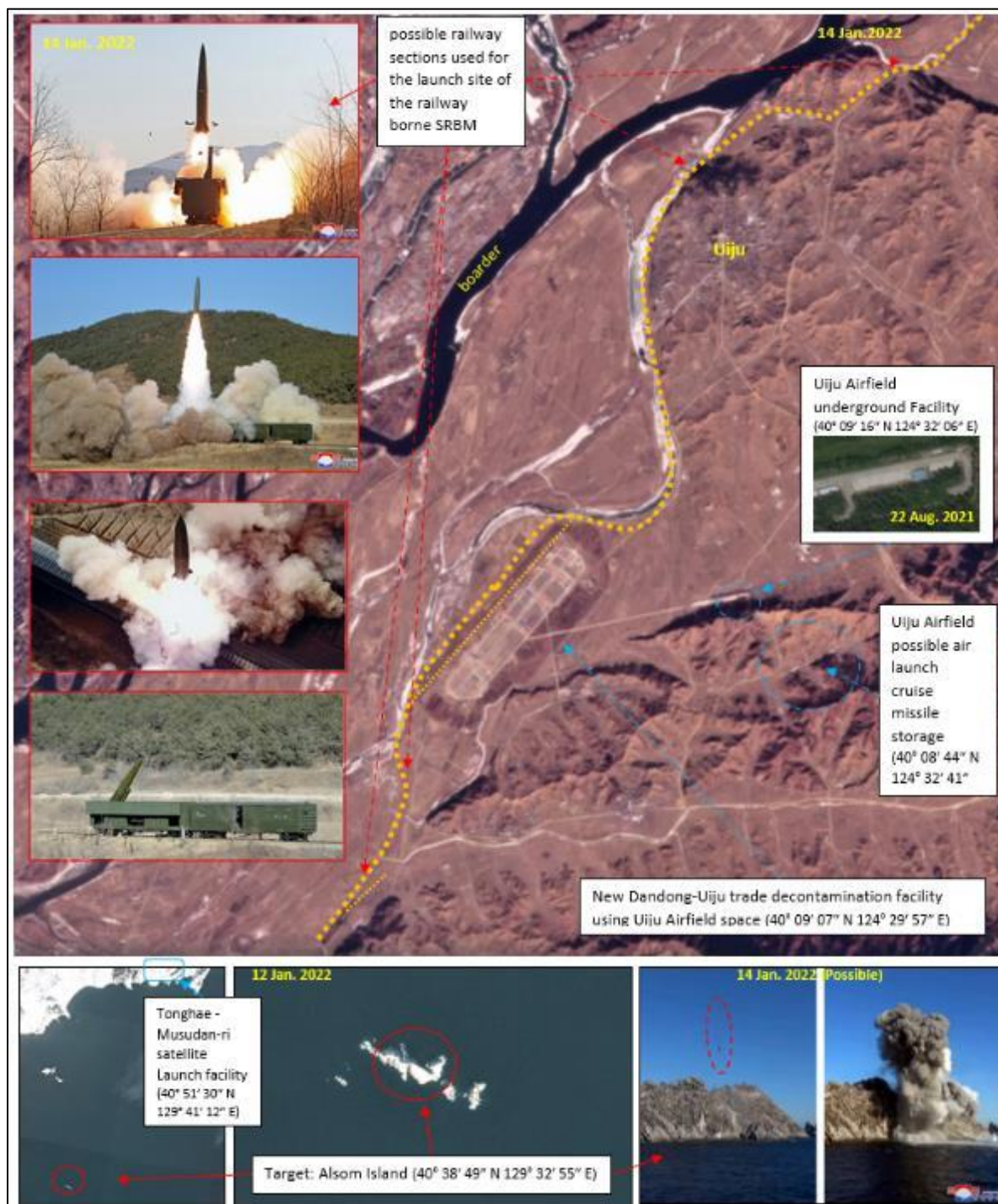
Source: KCTV, 16 September 2021 ($39^{\circ} 16' 31'' \text{ N}$ $126^{\circ} 48' 17'' \text{ E}$), and KCTV, 12 October 2021, 8pm ("Three revolution Exhibition", $39^{\circ} 04' 49'' \text{ N}$ $125^{\circ} 45' 23'' \text{ E}$).

Figure 21-2: The rail network provides another option for concealing and launching DPRK missiles



Source: Google Earth, 30 December 2016; Planet Labs Inc. 18 September 2021, 02 02 54 UTC; 2 October 2021, 03 00 UTC.

Figure 21-3: 14 Jan. 2022 – Operational launch test of two SRBMs (possible KN-23) from a railway-borne missile system



Source: Planet Labs Inc. 14 January 2022, 02 27 UTC; 12 January 2022, 01 44 UTC; 22 August 2021, 02 29 UTC; KCNA picture from <https://kcnowatch.org/#gallery-1> to 7 and from Rodong Sinmun (15 January 2022); KCTV, 15 January 2022.

Figure 21-4: 17 January 2022 – Operational launch test of two SRBMs (possible KN-24) from a tracked-TEL



Source: KCTV, 18 January 2022, 8pm Bulletin available at <https://kcnawatch.org/kctv-archive/61e6c3cec3e8f/> Planet Labs Inc. 25 August 2021, 06 56 UTC; 16 January 2022, 01 58 UTC; 17 January 2022, 02 20 UTC.

Annex 22: On 28 September 2021 (local time) a “hypersonic gliding warhead” delivered by a ballistic missile (named Hwasong-8 by the DPRK) launched in an easterly direction from Toyang in the area of Jonchon

On 28 September 2021,¹² the DPRK launched a ballistic missile whose main body and exhaust plume appeared to be from a liquid propellant booster that resembled, but shorter than, the single-stage IRBM Hwasong-12.¹³ Called by the DPRK “*the hypersonic Hwasong-8 missile*” its possible manoeuvrable re-entry vehicle looked like a Hypersonic Glide Vehicle (HGV) that resembled the solid fuel propellant hypersonic ballistic missile showcased by a Member State at a military parade in 2019. The missile was fired from the Mpuong-ri area, (Jagang province), travelling eastwards for about 200 km with an apogee between 30 and 60km and impacting waters off the east coast after following a depressed trajectory probably related to an early engine shutdown or switch-off.

¹² Pak Jong-chon, member of the Presidium of the Politburo and secretary of the Central Committee watched the test-launch with leading officials in the sector of national defence science. (KCNA)

¹³ Hwasong-12 was tested on 29 August and 15 September 2017. See S/2021/777, para.26; S/2019/171, para.174; S/2018/171, paras.7, 12; S/2017/742, paras.7-13.

Figure 22-1: Launch test of a possible hypersonic Hwasong-8 missile on 28 September 2021



Source: KCTV, 12 October 2021, and KCNA and Rodong Sinmun (En) (original version at source), 29 September 2021¹⁴

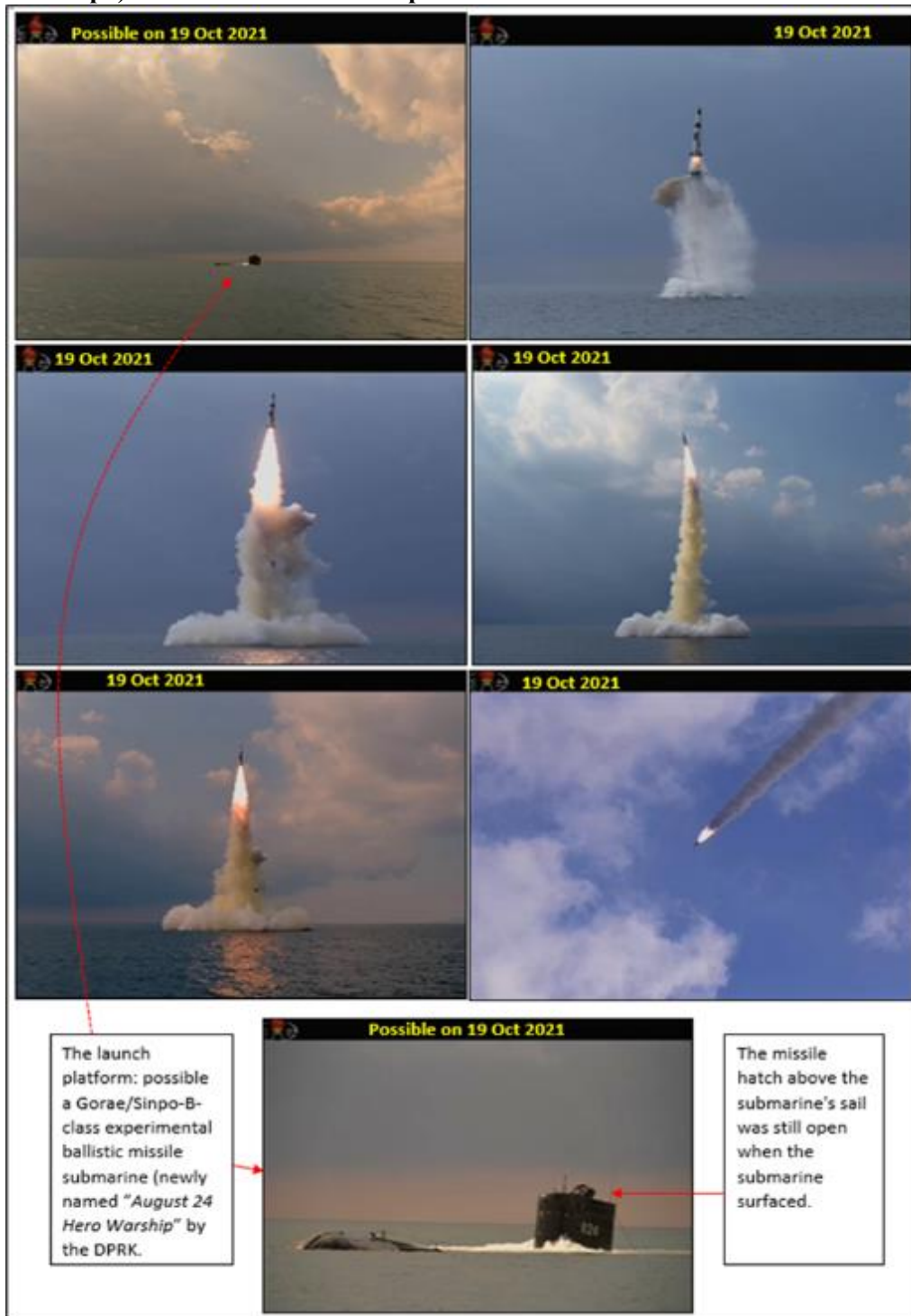
¹⁴ KCTV, 12 October 2021, and KCNA and Rodong Sinmun (En) (original version at source), 29 September, Juche 110 (2021), Article: Hypersonic Missile Newly Developed by Academy of Defence Science Test-fired Date: 29/09/2021 | available at <https://kcnawatch.org/newstream/1632886875-742443353/hypersonic-missile-newly-developed-by-academy-of-defence-science-test-fired/?t=1642625103563and>

Annex 23: On 19 October 2021 (local time), a submarine-launched ballistic missile (SLBM) launched in an easterly direction from a submarine in the Sinpo area.

On 19 October 2021¹⁵, the DPRK launched a solid-propellant short-range Submarine Launched Ballistic Missile whose design is smaller than the SLBM Pukguksong missile series and appears to be based on that the SRBM KN-23 and KN-24 as well as its flight characteristics with pull-up manoeuvre (See figure 20-2-1 at annex 20-2). Called by the DPRK “the new SLBM” it would have been launched from a Gorae/Sinpo-B-class experimental ballistic missile submarine called “8.24 Yongung” according to KCNA and two Member States (see figure 23-1). The missile was fired from a submarine (or from a submersible test stand barge, see figure 23-2) temporary located off the coast of Sinpo south shipyard (Hamgyong province), traveling eastwards for about 600 km with an apogee between 50 and 60 km and impacting waters after “a pull-up manoeuvre” detected during the flight.

¹⁵ Yu Jin, department director of the Central Committee, guided the test-launch along with Kim Jong Sik (KPi.066)¹, vice department director of the Department of Munitions Industry (KPe.028) and leading officials of the Academy of Defence Science (KPe.021) (KCNA).

Figure 23-1: Possible use of a Gorae/Sinpo-B-class experimental BM submarine (the “August 24 Hero Warship”) as a submersible launch platform¹⁶



Source: KCTV, 20 October 2021, Full Broadcast annotated by the Panel.

¹⁶ The period from 2013 to 2014 was marked by the development of the experimental Gorae-class submarine launch platform (aka Sinpo-B, see S/2020/151, para. 196, S/2017/150, para. 40 and S/2016/157, paras. 41 to 44).

Figure 23-2: Focus on the movements of the submersible test stand barge and of one of the support vessels located originally in the secure boat basin of the Sinpo south shipyard between 17 and 20 October 2021 (40° 01' 34" N 128° 09' 59" E)



Source: Planet Labs Inc. 17 October 2021, UTC 05 11 - 03 06- 01 46 - Planet Labs Inc., 18 October 2021, UTC 05 18 - 03 30- 01 52 - Planet Labs Inc. 20 October 2021, UTC 04 53 - 01 53.

Annex 24: 5 January and 11 January 2022 (local time): two possibly similar new ballistic missiles that, according to the DPRK, deliver “the hypersonic gliding warhead”. Launched in an easterly direction from Toyang in the area of Jonchon.

On 5 January and 11 January 2022, the DPRK launched two ballistic missiles (possibly the same type) whose main body and exhaust plume appeared to be from a liquid propellant booster that resembled, but was shorter than, the single-stage IRBM Hwasong-12 (see figure 24-1 and figure 24-2). The DPRK used the description “hypersonic glide vehicle” in connection with the missiles. Their possible manoeuvrable re-entry vehicle (MaRV) resembled the KN-23, KN-24 and the new SLBM ballistic missiles (see above).

The missile launched on 5 January was fired from the Mpuong-ri area, (Jagang province), travelling eastwards for about 500 km with an apogee 50 km¹⁷ and impacting waters off the east coast.

The missile launched on 11 January was fired from the same area and impacted off the east coast, but, according to a Member State, flew more than 700 km with an apogee of 60 km and reached up to a maximum speed of Mach 10 (12 240km/h)¹⁸. There was an “improvement” compared with the missile tested on 5 January 2022, which the DPRK claimed to have been a hypersonic missile.

Kim Jong Un officially attended the missile test on 11 January with Jo Yong Won, member of the Presidium of the Political Bureau (KCNA 12 January 2022).

¹⁷ The DPRK claimed to have launched a “hypersonic missile” with a “re-entry vehicle” which “flew 700 km with a lateral movement of 120 km”.

¹⁸ The DPRK claimed to have launched a “hypersonic missile” with a “re-entry vehicle”. “The test fire was aimed at making a final confirmation of the overall specifications of the developed hypersonic weapon system. The hypersonic missile was launched into the sky. The hypersonic gliding warhead was separated from the launched missile, made a gliding re-leap from the point of 600 kilometres and 240-kilometre acute circular flight from the initial launch azimuth to the pinpoint to hit the target in the waters 1,000 kilometres away. The final test fire more clearly proved the superb manoeuvrability of the hypersonic gliding warhead” from KCNA Voice of Korea article “General Secretary Kim Jong Un watches test fire of hypersonic missile”, 12 January 2022, available at <https://kcnawatch.org/newstream/1641945680-505763594/general-secretary-kim-jong-un-watches-test-fire-of-hypersonic-missile/?t=1649732870380> (emphasis Panel’s).

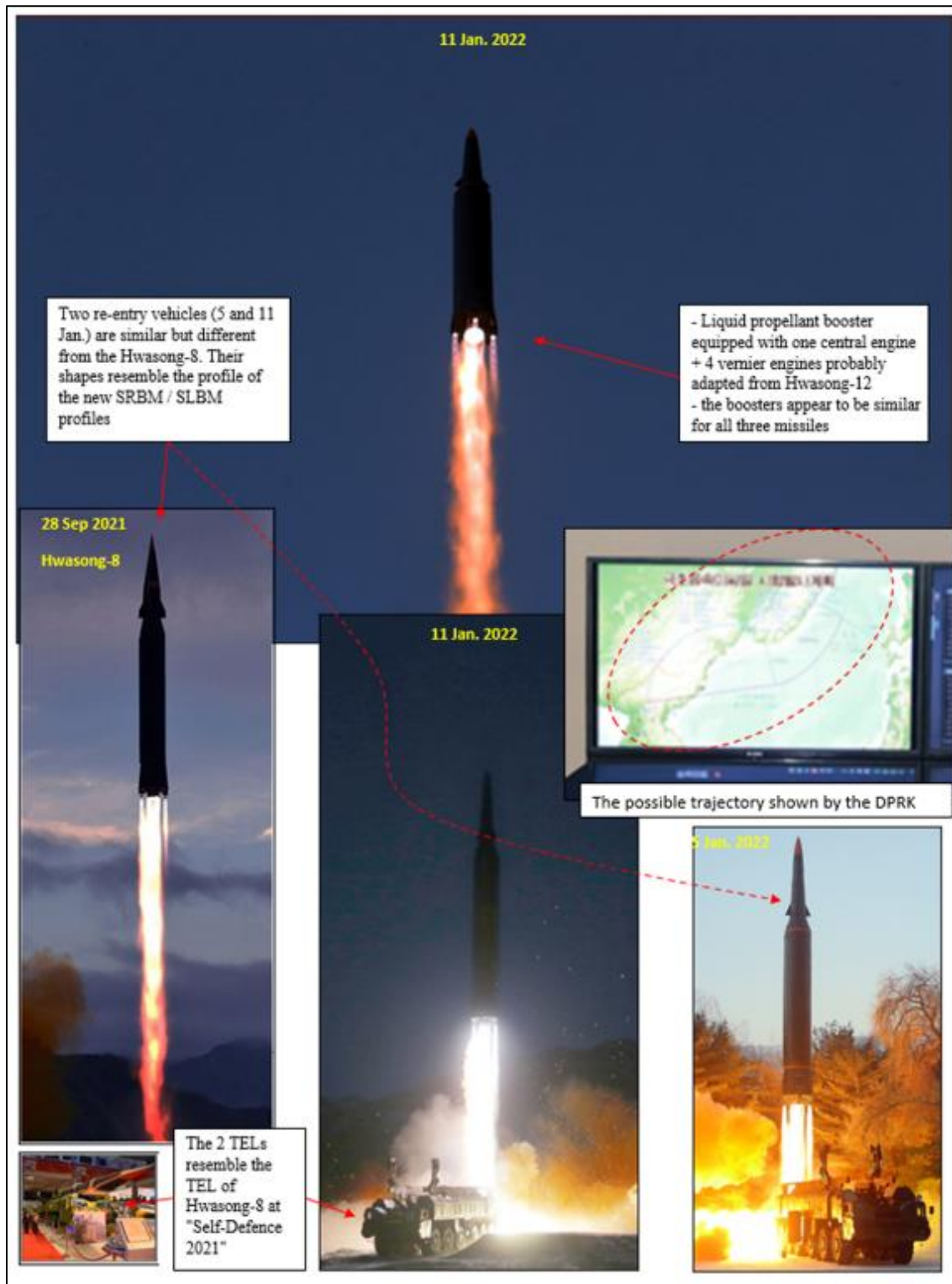
Figure 24-1: Launch test of a new MRBM and its possible MaRV on 5 January 2022



Source: KCTV, 12 October 2021, and KCNA, 6 January 2022¹⁹

¹⁹ KCNA at https://www.nknews.org/pro/wp-content/uploads/kcna-watch/kcna_kp_en/images/MM00289748.jpg?t=1649371935222 and KCTV, 12 October 2021, 8pm, video on the "Self-Defence 2021" arms exhibition at "Three revolution Exhibition" (39° 04' 49" N 125° 45' 23" E), available at <https://kcna-watch.org/kctv-archive/61658f2826e3a/> and <https://kcna-watch.org/?t=1649723100702>

Figure 24-2: Launch test of a new SRBM/MRBM and its possible MaRV on 11 January 2022



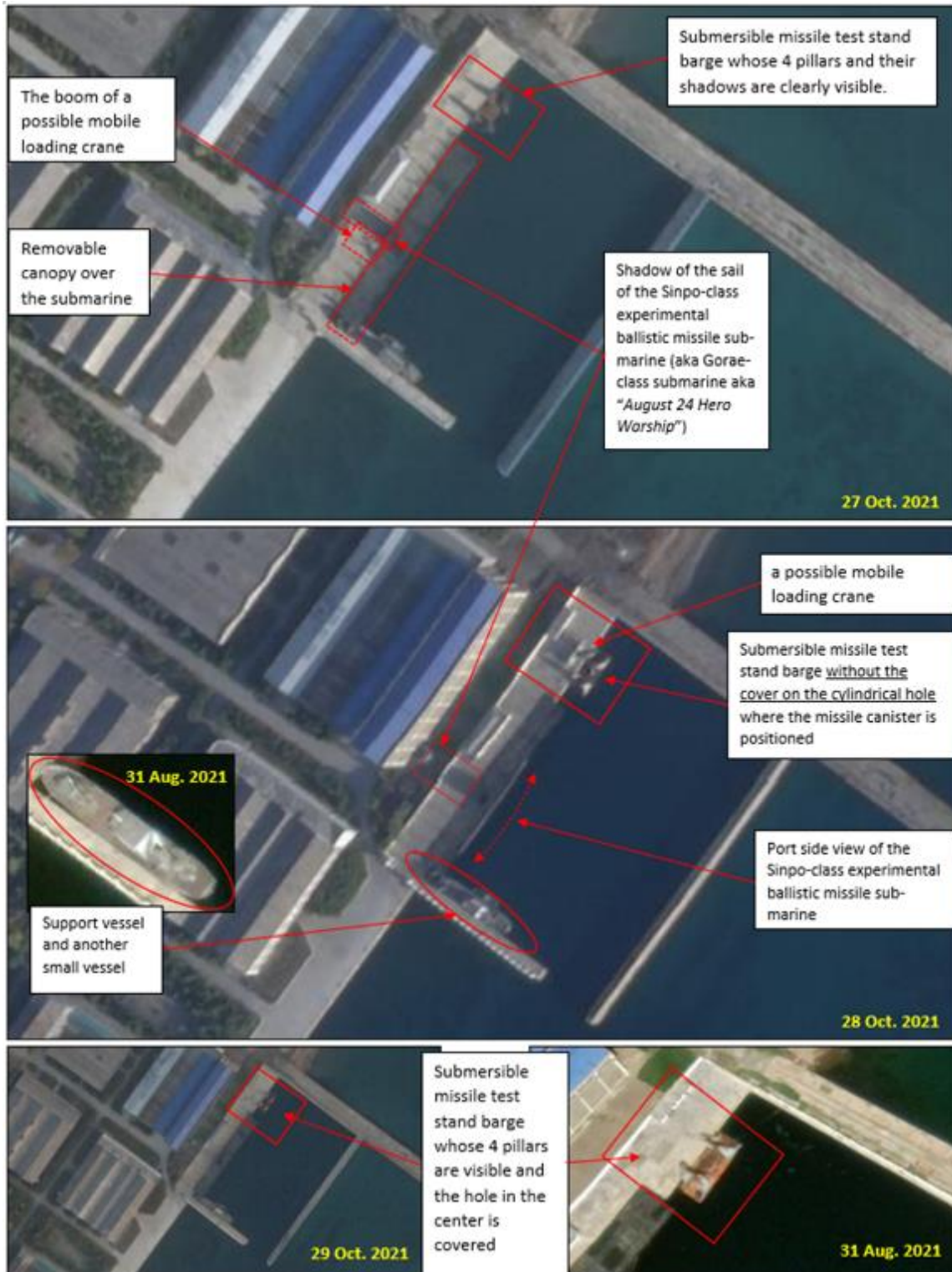
Source: KCNA at https://www.nknews.org/pro/wp-content/uploads/kcna-watch/kcna_kp_en/images/MM00289748.jpg?t=1649371935222 and <https://kcnowatch.org/?t=1649723100702>

Annex 25: Activity at the Sinpo south shipyard since August 2021

Sustained activity was detected in the **secure boat basin** between August and December 2021, which was likely to be related to the preparation of the launch test of the new SLBM before 19 October 2021 and the associated technical improvements as well the maintenance or reparation operation during December (see figures 25-1 and 25-2). According to the analysis of satellite imagery by two thinktanks²⁰ the GORAE/SINPO-class ballistic missile submarine (SSB) was observed on the 13 December 2021 in the dry dock located at 40° 01' 53" N 128° 12' 35" E, probably for repairs or improvements of the vessel.

²⁰ See “Sinpo South Shipyard: The SINPO-Class Ballistic Missile Submarine Returns to Secure Basin After Hull Maintenance” from the Stimson center 38 North publication, 5 January 2022 available at <https://www.38north.org/2022/01/sinpho-south-shipyard-the-sinpo-class-ballistic-missile-submarine-returns-to-secure-basin-after-hull-maintenance/>
And see “Sinpo-class Submarine Damaged During October 19 Test Launch” from CSIS Beyond the Parallel, 7 January 2022, available at <https://beyondparallel.csis.org/sinpo-class-submarine-damaged-during-october-19-test-launch/>

Figure 25-1: Activity in secure boat basin around the submarine berth from August to December 2021



Source: Planet Labs Inc. 12 October 2021, 22 29 UTC; 15 October 2021, 04 41 UTC; 18 October 2021, 02 16 UTC; 20 October 2021, 01 26 UTC; 27 October 2021, 23 33 UTC; 28 October 2021, 23 07 UTC; 29 October 2021, 22 43 UTC; Google Earth, 31 August 2021.

Figure 25-2: Various details of activity and presence of the submarine and submersible barge



Source: Planet Labs Inc. 12 November 2021, UTC 23 42; 25 November 2021, 05 26 UTC; 3 December 2021, 02 00 UTC; 8 December 2021, 02 10 UTC; 25 December 2021, 23 59 UTC; 27 December 2021, 23 50 UTC.

Infrastructure activity at the Sinpo south shipyard since August 2021

At the Sinpo south shipyard, construction and maintenance of infrastructure continued, but slowly throughout 2021. In July, a dredging barge (40° 01' 19" N 128° 09' 52" E) was observed in front of the new construction hall, in line with the slipway. The dredger probably excavated this area to facilitate the eventual berthing of a dry dock, potentially to be used to transport the new submarine when it leaves the construction hall. (see figure 25-3)²¹ The pier renovation (40° 00' 32" N 128° 08' 50" E) and housing construction (40° 00' 38" N 128° 09' 22" E) at the south continued but construction of the semi-buried shelter (40° 00' 41" N 128° 08' 53" E) has not yet resumed (see figure 25-4). The new buildings (40° 01' 08" N 128° 09' 26" E) in the area of the static test stand appear to be finalized.

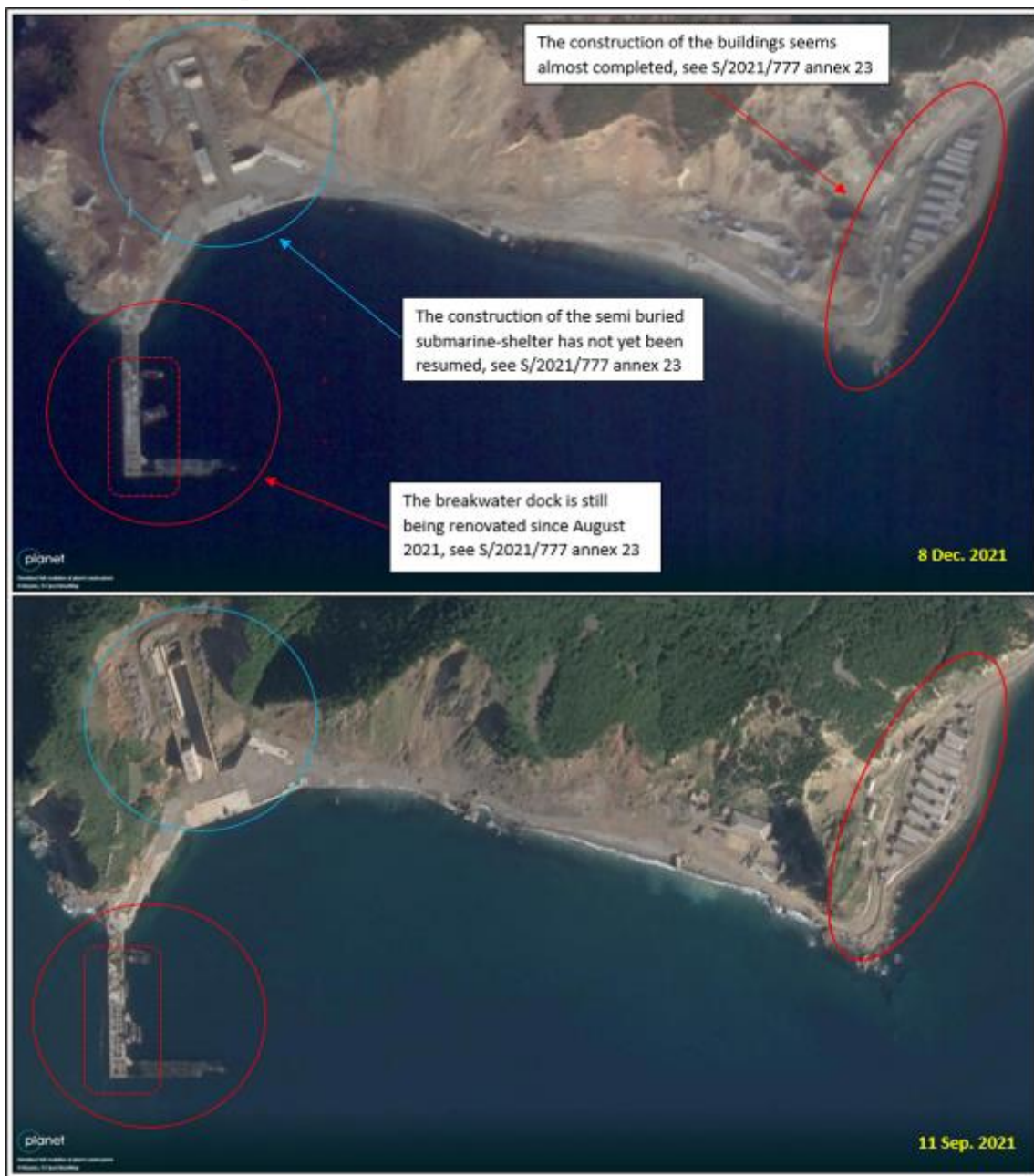
²¹ See the report “Sinpo South Shipyard Update”, the Center for Strategic and International Studies-Beyond Parallel (CSIS), 8 September 2021. Available at <https://beyondparallel.csis.org/sinpo-south-shipyard-update/>

Figure 25-3: A dredger barge was observed (40° 01' 18" N 128° 09' 53" E) in front and alongside the south side of the new construction hall's slipway from 17 July to 23 July 2021



Source: Planet Labs Inc., 17 July 2021, 08 51 57 UTC; 20 July 2021, 02 04 UTC; 23 July 2021, 06 28 UTC; 8 December 2021, 02 10 UTC.

Figure 25-4: The construction or renovation of the pier (40° 00' 32" N 128° 08' 50" E) located in front of the buried submarine shelter (40° 00' 41" N 128° 08' 53" E) and the finalization of the housing at the cape (40° 00' 38" N 128° 09' 22" E)



Source: Planet Labs Inc., 11 September 2021, 23 33 UTC, 8 December 2021, 02 10 UTC.

Annex 26: Activity at the Nampo naval shipyard since August 2021 regarding the submersible test stand barge maintenance

In Nampo naval shipyard, the submersible missile test stand barge, which is mounted on a temporary static trolley on rails was still under maintenance or improvement in September 2021 (S/2021/777, annex 19, and S/2021/211, para. 23, annex 15). The satellite imagery (38° 43' 08" N 125° 23' 28" E) showed very well the possible missile launch tube in the center of the submersible platform, covered by its closed hatch (see figure 26-1).

Figure 26-1: Submersible missile test stand barge in Nampo was still under repair or improvement in September 2021



Source: Planet Labs Inc., 29 September 2021, 05 23 UTC; Google Earth, 5 May, 5 June, 12 June and 20 July 2021.

**Annex 27: Developments at Kusong tank factory (No. 95 Factory) and at No. 112 Factory
(see S/2021/777, annex 21)**

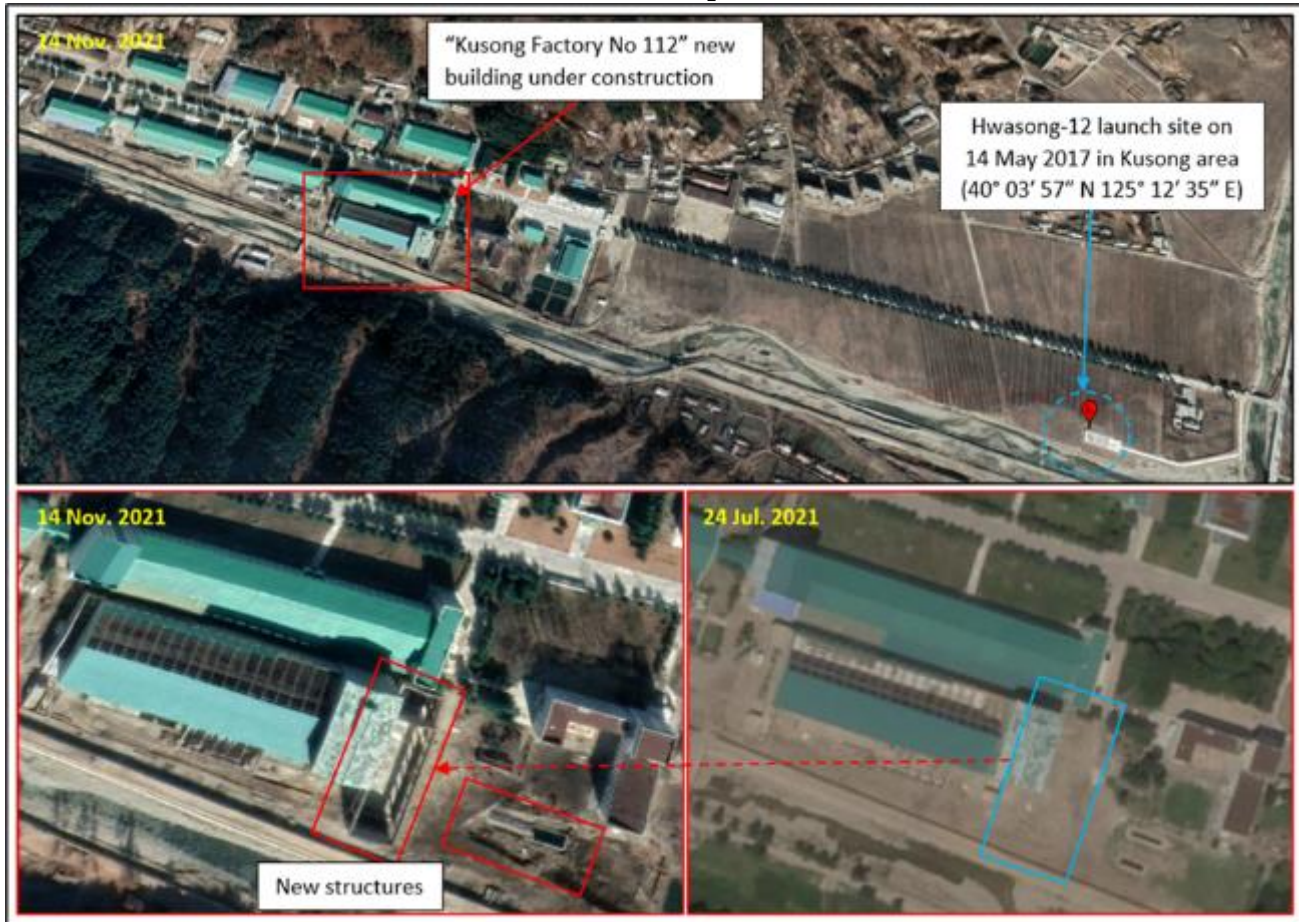
The overall modernization of the infrastructure of the Kusong tank factory (No. 95 Factory, 40° 03' 16" N 125° 13' 16" E) in charge of ballistic missile TEL production has stalled in the second half of 2021, with little changes observed by satellite imagery (see figure 27-1). This is also true of the new building under construction near No. 112 Factory since 2020, where an IRBM Hwasong-12 was launched on 14 May 2017 (see figure 27-2).

Figure 27-1: The “Kusong tank factory” renovation slowdown in the second half of 2021



Source: Planet Labs Inc., 22 December 2021, 01 46 42 UTC; Google Earth, 14 November 2021; Planet Labs Inc., 14 August 2021, 02 22 UTC; Planet Labs Inc., 24 July 2021, 05 27 UTC.

Figure 27-2: Construction of a large building in the Factory No. 112 area has continued slowly, but a new structure has been added to its eastern side since September.



Source: Google Earth, 14 November 2021; Planet Labs Inc. 24 July 2021, 05 27 UTC.

Annex 28: Procurement of Illicit and WMD related Commodities through O Yong Ho's Procurement Activities

28-1. According to a Member State, from 2016 to 2020, O Yong Ho²² attempted to purchase aramid fibre (Kevlar)²³, equipment including winders²⁴ used to produce aramid fibre, as well as a Russian version of a spinning nozzle.²⁵ For these transactions, O Yong Ho used the cover terms “clothing equipment” and “textile machines”. To strengthen DPRK's domestic production of aramid fibres, O Yong Ho also sought four specific chemicals.²⁶

Despite the disruption of such purchase attempts by the Russian Federation in 2016, O Yong Ho²⁷ succeeded in purchasing 300kgs of Ruslan VM-600 Kevlar fibre in October that year. In late 2016, he notified Moscow based Parsek LLC's²⁸ Director of Development, Mr. Roman Anatolyevich Alar,^{29 30 31 32} of his intent to purchase 500kg of Kevlar thread and awaited notification of funding to finalise the purchase. He was also in contact with the currently dissolved company PTKT Kayur LLC³³ which may have been involved in facilitating the transactions. He continued to attempt to procure Ruslan aramid

²² Date of birth: 25 December 1961, Diplomatic Passport no. 108410041 (issued 13 October 2018, expires 13 October 2023).

²³ In 2020, O Yong Ho purchased 100kg of Aramid fibre.

²⁴ The purchase of winders, fibres and materials continued into May/June 2019. O Yong Ho was actively moving these transactions on 7 and 20 June 2019.

²⁵ Spinning nozzle containing 200-300 holes sized between 0.08-0.1mm, made from a platinum palladium alloy to prevent corrosion.

²⁶ Polyorganohydride silozane, designator BS94SILRES, (*to produce high-strength high-modulus aramid fibres*) (1 kg); Polyhydrogen methyl silozane, designator 136-41, (1 kg); polyethylhydride silozane (1 kg); Silicon resin, designator 139-297, (*relates to a paint having anticorrosive and fire-resistant properties*) (1 kg); a secondary impregnation liquid EDT-10 (2 kg).

²⁷ On 12 January 2022, the U.S. Department of the Treasury's Office of Foreign Assets Control (OFAC) designated five Democratic People's Republic of Korea (DPRK) individuals responsible for procuring goods for the DPRK's weapons of mass destruction (WMD) and ballistic missile-related available at <https://home.treasury.gov/news/press-releases/jy0555>

²⁸ Source: Parsek LLC, a Moscow based company, INN 7714789249 available at <https://spark-interfax.ru/system/home/card#/company/E1B0CBC619A249959CD23CC9EE2AC612/101>

²⁹ LLC Parsek and its Director of Development Mr. Alar (Роман Анатольевич Аларь) have yet to respond to the Panel's request for information on these transactions.

³⁰ Source: INN 370400863660 available at <https://spark-interfax.ru/system/home/card#/physicalperson/inn-370400863660/1>

³¹ *In a related action, the Department of State designated DPRK national O Yong Ho, Russian national Roman Anatolyevich Alar, and Russian entity Parsek LLC pursuant to E.O. 13382 for having engaged in activities or transactions that have materially contributed to the proliferation of weapons of mass destruction or their means of delivery by DPRK, see, the U.S. Department of the Treasury's Office of Foreign Assets Control (OFAC) designated on 12 January 2022, five Democratic People's Republic of Korea (DPRK) individuals responsible for procuring goods for the DPRK's weapons of mass destruction (WMD) and ballistic missile-related available at <https://home.treasury.gov/news/press-releases/jy0555>*

³² Consecutive Russian MOFA's statement: “*In a comment on this case the official representative of the Russian Foreign Ministry M.V.Zakharova denied accusations of "key role" of Russian citizen R.A. Alar and the Parsek company in the supply of components and technologies for "the entire DPRK missile program" and noted that Russia “is consistently committed to all its non-proliferation obligations both through the UN Security Council and within the framework of international and multilateral instruments to which it is a party.”*”, available at https://www.mid.ru/ru/foreign_policy/news/1794453/

³³ PTKT Kayur LLC: INN 7726299256. According to the reply of Russian authorities, based on the Unified State Register of Legal Entities, PTKT Kayur LLC was dissolved on 29 July 2021.

fibre from the same company in 2019 and 2020. In 2020, O Yong Ho purchased 100kg of Aramid fibre from Parsek LLC and was expected to place a much larger order in the middle of the same year.

In response to the Panel's enquiries concerning Parsek LLC, the Russian Federation stated that "*Parsek LLC supplies and provides after-sales service for equipment used in cable, power supply and control systems diagnostics and also sells related expendable materials and accessory parts. According to information received from company representatives, they had indeed been approached in 2018 by employees of the North Korean company Ponghwa with a request to arrange the supply of a lathe, condensers, bearings of various design, as well as Russian-made aramid fibre, but this request was rejected in view of the Security Council sanctions in place*".

28-2. In 2018, O Yong Ho allegedly approached at least one other company in Russia to procure stainless steel. According to the Member State, between 2016 and 2018, he attempted to buy steel used in the production of liquid propellant ballistic missiles and purchased nine tonnes in March 2018³⁴ from another Russian company to be delivered to the DPRK. He compiled an advanced payment return confirmation including the following details about the purchase:

- Contract item was stainless steel 12X18H10T-6 (Russian-origin).
- Delivery period for an arrival in Moscow was within 10 days of contract conclusion, and arrival of a container at Tumangang Railway Station on the Russian/DPRK border was within 30 days of contract acceptance.
- Document was dated 27 February, signed by a representative of the Korean Natural Resources Development Investment Corporation (KPe.010)³⁵ named O Yong Son.

28-3. Information provided by the Member State stated that between early July 2016 to late October 2016 O Yong Ho made progress in purchasing 3000 tonnes of the specific steel used in the manufacture of the hull of DPRK ballistic missile submarines.³⁶ He brought a delegation of DPRK officials to Russia in late 2016 to inspect the steel.

28-4. In addition, the Member State provided information that from 2016 to 2020, O Yong Ho attempted to purchase bearings for use by the DPRK's Rocket Industry department. In mid-March 2016, he received a commercial proposal from Parsek LLC, which was prepared by Roman Anatolyevich Alar and signed by the company's General Director Artem Mikhaylovich Kalinkin.³⁷ The proposal was on

³⁴ He purchased 9 tonnes of 12X18H10T-6 stainless steel, (*the Austenite, Russia GOCT standard stainless steel and heat resistant steel*).

³⁵ KPe.010 Name: GREEN PINE ASSOCIATED CORPORATION
A.k.a.: a) CHO'NGSONG UNITED TRADING COMPANY b) CHONGSONG YONHAP c) CH'O'NGSONG YO'NHAP d) CHOSUN CHAWO'N KAEBAL T'UJA HOESA e) JINDALLAE f) KU'MHAERYONG COMPANY LTD. g) NATURAL RESOURCES DEVELOPMENT AND INVESTMENT CORPORATION h) SAEINGP'IL COMPANY i) National Resources Development and Investment Corporation j) Saeng Pil Trading Corporation, available at <https://www.un.org/securitycouncil/sanctions/1718/materials>

³⁶ Steel HY130, F500W, D40S, E40S used for shipbuilding as well as 08KH15N5D2T. Cost was 223,000 Roubles (\$3,496) per tonne, which was more than USD10M worth of steel.

³⁷ Артём Михайлович Калинин

the supply of aviation oil and several models of ball bearings with applications to MTCR Category 1 and 2, ballistic missile guidance, navigation and control systems.³⁸ DPRK has previously procured several of these models on behalf of Syria's Scientific Studies and Research Center (SSRC), a known entity carrying out WMD and ballistic missile work (about aramid see above Sec.XX1). In late January 2020, O Yong Ho provided a price quote for 7 types of bearings.³⁹ DPRK has previously procured several of these models on behalf of SSRC. Parsek LLC and its executives have yet to respond to the Panel's request for information on these transactions.

The Russian Federation also noted in its reply, that "*the Russian Federal Service for Technical and Export Control did not issue permits to Parsek LLC for the export (transfer to foreign persons) of materials, such as kevlar or aramid fiber or steel of various grades, or bearings or technical data or other products*" (see annex 29).

28-5. According to the Member State's information, O Yong Ho was interested in instructions and technical expertise on solid propellant production. In June 2018, he received from Roman Anatolyevich Alar a hand-written and typed copy of a letter containing instructions for using OSF brand catalyst in solid rocket fuel mixtures:

1. *Use a 5 tonnes rocket charge;*
2. *Pour with the mixture powder;*
3. *Use ammonium perchlorate as an oxidiser;*
4. *Use a specific impulse of the rocket engine of 250 seconds, noting the specific impulse does not increase with the use of this OSF brand catalyst.*⁴⁰

In the same vein, on 28 December 2019, O Yong Ho received Kompas CAD drawings of a Russian TRDD-50 cruise missile from a missile/rocket scientist (allegedly deceased), who was located in the Russian Federation.

28-6. In October 2017, O Yong Ho sought hot and cold isostatic presses.⁴¹ Isostatic presses are used in making nose tips for Re-entry Vehicles and nozzle inserts for rocket motors.

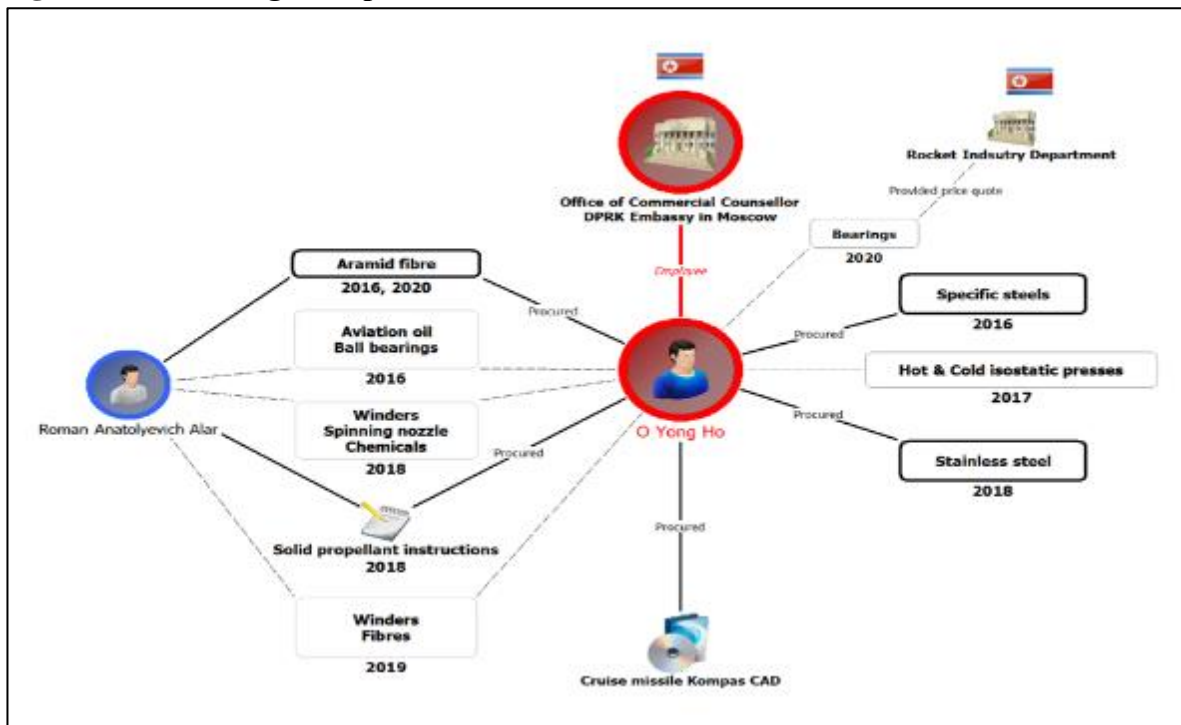
³⁸ Parsek LLC's proposal included more than 500 units of the following bearings, 24-45YU4T (*Deep groove ball bearing*); 4-2000083; 4-6023 or 4-6023E (*Deep groove ball bearings. Magneto type bearings. Complete*); 5-26; 5-6025 (*Angular Contact Ball Bearings dimensions*); 5-640065; 5-6W9YUT; Aviation oil OKB-122-3 (*Lubricants for Mi-17, NYCOLUBE 123 Gde. 3 132-19 OKB 122-3 TU 6-02-897 lend of a petroleum base stock and a polysiloxane, for the lubrication of aviation turbines, Compressors and gyro instruments. Information available at <https://www.nyco-group.com/site/content/uploads/MI-17%20product%20list-NYCO.pdf>*).

³⁹ 1000 units of bearings such as A-26; 4-6023 (*Type: Deep groove ball bearings. Magneto type bearings. Complete*); 4-6025; 5-60096; 5-640065; 5-640095; RA 5160 (*Removable angular ball bearings, open*).

⁴⁰ The OSF catalyst allows for uniform burning and prevents the development of vibration or pulsing burning which leads to detonation in a short period of time.

⁴¹ Its specifications a cold isostatic press, maximum operating pressure of 300 MPA, an effective workspace for the high-pressure vessel of 630 x 1200mm; a hot isostatic press, maximum operating pressure of 150 MPA, a maximum operating temperature of 1500 (pres deg), and an effective workspace for the high-pressure vessel of 630 x 1200mm. Some of these systems have applications to MTCR 2.B.2, MTCR 6.B.3. Category.

Figure 28-1: O Yong Ho's procurement activities



Source: The Panel.

Annex 29: Reply of the Russian Federation, dated 5 October 2021

В связи с запросом группы экспертов санкционного Комитета СБ 1718 по КНДР ОС.256 сообщаем, что О Ён Хо (O Yong Ho) является сотрудником аппарата торгового советника посольства КНДР в Москве, курирующим закупки в нашей стране продукции гражданского назначения и товаров народного потребления. Информацией о его причастности к незаконным операциям российские компетентные органы не располагают.

Данные о внешнеторговых контрактах, заключенных лицами, указанными в запросе, а также сведения о вывозе из России в Северную Корею перечисленных там товаров, подпадающих под действие международных санкционных ограничений, в информационных ресурсах российских таможенных органов отсутствуют.

ООО «Парсек» осуществляет поставки и гарантийное обслуживание оборудования для диагностики кабельных линий, источников электропитания и систем управления, а также реализует расходные материалы и комплектующие к ним. По информации, полученной от представителей данной организации, к ним в 2018 г. действительно обращались сотрудники северокорейской компании «Понхва» с просьбой об организации поставки токарно-фрезерного станка, конденсаторов, подшипников различной модификации, а также арамидной нити российского производства, однако в связи с действующим санкционным режимом СБ ООН данная просьба была отклонена.

ФСТЭК России не выдавала ООО «Парсек» разрешительных документов для осуществления экспорта (передачи иностранным лицам) материалов (кевларовое или арамидное волокно, сталь различных марок), подшипников или технических данных либо иной продукции.

По данным единого государственного реестра юридических лиц, ООО «Проектно-технологический консультативный центр «Каюр» ликвидировано 29 июля 2021 г.

Translated from Russian

In connection with the request contained in letter OC.256 from the Panel of Experts on the Democratic People's Republic of Korea of the Security Council Committee established pursuant to resolution 1718 (2006), we should like to inform you that Mr. O Yong Ho is an employee of the office of the Commercial Counsellor of the Embassy of the Democratic People's Republic of Korea in Moscow in charge of procurement of civilian production-related and consumer goods in our country. The Russian authorities have no information about his involvement in illegal operations.

The Russian customs authorities have no information regarding foreign trade contracts concluded by the persons named in the letter or the export from Russia to North Korea of goods subject to international sanctions listed in the letter.

Parsek LLC supplies and provides after-sales service for equipment used in cable, power supply and control systems diagnostics and also sells related expendable materials and accessory parts. According to information received from company representatives, they had indeed been approached in 2018 by employees of the North Korean company Ponghwa with a request to arrange the supply of a lathe, condensers, bearings of various design, as well as Russian-made aramid fibre, but this request was rejected in view of the Security Council sanctions in place.

The Russian Federal Service for Technical and Export Control did not issue permits to Parsek LLC for the export (transfer to foreign persons) of materials, such as kevlar or aramid fiber or steel of various grades, or bearings or technical data or other products.

According to the Unified State Register of Legal Entities, PTKT Kayur LLC was dissolved on 29 July 2021.

Source: The Panel.

Annex 30: DPRK procurement activities (Kim Jong Dok and Rim Ryong Nam)

30-1 Kim Jong Dok

The Panel has reported that Korea Machinery General Trading (KMGT), represented by Kim Jong Dok, regularly placed orders of sensitive industrial materials, including 1Cr18Ni9Ti stainless steel,⁵³ which is known to be used for aeronautical purposes as well as for the fabrication of liquid-propelled ballistic missile engines.⁴³

According to a Member State, Kim Jong Dok's placed orders (at least four times since January 2021) with Dandong-based Dandong Jongsan Trading (aka Dandong Dingshan Trading)⁴⁴ for not only 1Cr18Ni9Ti stainless steel but also valves, pumps and ball bearings. Kim's main contact from Dandong Jongsan Trading was Jon Gon Hua (aka Tian Jinhua).⁴⁵ Kim informed Jon Gon Hua that he particularly turned to several Chinese companies to place his orders, including Zibo Stirling Mechanical Equipment Co. Ltd.⁴⁶ and Shandong Jinjian Heavy Mining Equipment Co. Ltd.⁴⁷ (see figure 30-1 for Kim's Procurement Activities)

The procured items, including stainless steel, are prohibited from being supplied to the DPRK by paragraph 7 of resolution 2397 (2017). In addition, pursuant to paragraphs 8 and 27 of resolution 2270 (2016), any item that could contribute to development of the operational capabilities of the DPRK's armed forces, or to the DPRK's weapons of mass destruction programs, is prohibited from being exported to the DPRK.

The Panel has yet to receive replies to its enquiries from these companies.

⁴² S/2021/777, para. 22 and annex 27.

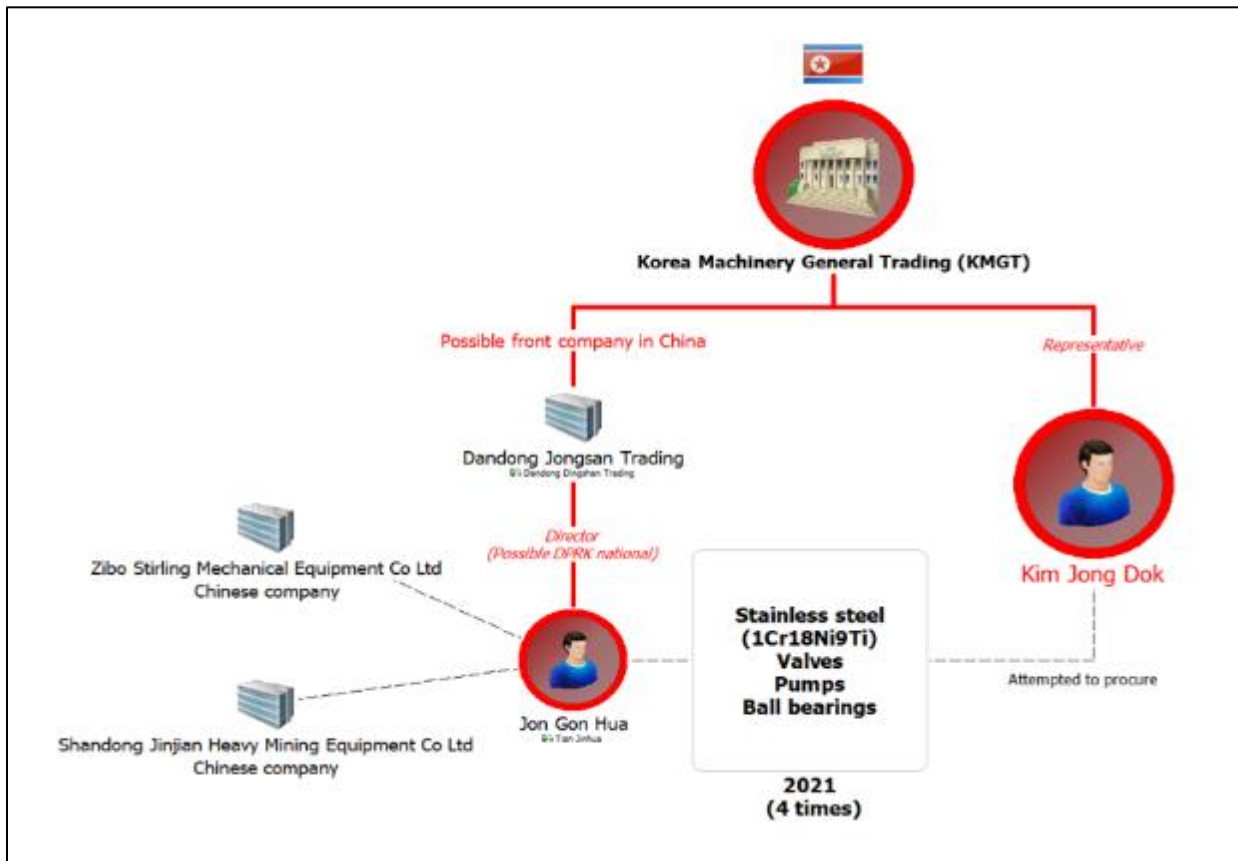
⁴³ Joint advisory issued by US Government detailing DPRK's efforts to procure sensitive material and technology mention that steel alloys containing titanium are likely imports for DPRK's ballistic missile programmes, and explicitly lists 1Cr18Ni9Ti as one such alloy. See https://home.treasury.gov/system/files/126/20200901_nk_ballistic_missile_advisory.pdf

⁴⁴ 丹东鼎山贸易有限公司

⁴⁵ Jon Gon Hua is likely a DPRK national and Dandong Jongsan a front company of the KMGT to acquire sensitive material in China. He is said to be one of the directors of the company with LI Faming.

⁴⁶ 淄博斯特林机械设备有限公司, a company in Zibo established in 2014 which specializes in manufacturing vacuum pumps and mechanic equipment.

⁴⁷ 山东金键重型矿山设备有限公司, a company in Zhaoyuan established in 2013 which focuses in selling mining equipment.

Figure 30-1: Kim Jong Dok's (attempted) procurement activities

Source: Member State, illustrated by the Panel.

30-2 Rim Ryong Nam

Multiple Member States provided information to the Panel that a Shenyang-based individual, Rim Ryong Nam,^{48 49} has been acting as a procurement representative for DPRK's Munitions Industry Department.⁵⁰ According to the information, in early 2018, Rim sought to purchase aluminum powder and other commodities, including those known to be used in solid propellant manufacture : trimethylaziridnyl phosphine oxide (MAPO),⁵¹ industrial-use argon, electrolytic copper, metallic chrome, acetone, and steel plates.⁵² In addition, in 2019 and 2020, Rim purchased and successfully shipped many tons of aluminum powder on multiple occasions to the DPRK, destined for the Ministry of Rocket Industry (aka Rocket Industry Department) as end user.⁵³

According to a Member State, some of the aluminum powder and other missile-applicable chemicals were reported to have been supplied by Shandong Zhangqiu Metallic Pigment Co., Ltd.⁵⁴ In effecting this procurement, Rim worked directly with Zheng Xin (aka Cho'ng Sin, Jong Sin(郑鑫)), the legal representative of Shenyang Jingchengjin Import & Export Co., Ltd. (see figure 30-2 for Rim's procurement activities).

Such export of aluminum powder to the DPRK may constitute a violation of various resolutions including: paragraph 8 of resolution 1718 (2006); paragraphs 9 and 10 of resolution 1874 (2009); paragraph 9 of resolution 2087 (2013); paragraphs 7, 14, 15, 16 of resolution 2270 (2016); and paragraph 7 of resolution 2397 (2017).

China replied "*China has conducted careful investigation based on the information provided by the Panel. We did not find any transactions of aluminum powder by RIM Ryong Nam within China. Nor did we find any information of the company registered under this person's name. RIM currently is not within the territory of China*". No replies have yet been received from the companies.

⁴⁸ Rim is a DPRK national and his DoB is December 5, 1978. Acquired information also suggests that he is directly involved with a company called China Yantai Panocean Shipping Agency Co. Ltd (烟台泛洋船务代理有限公司).

⁴⁹ In 2019, Rim Ryong Nam was also directly involved in an effort to purchase tractors, operating as a middleman for payments. These payments also involved the accounts of the well-known Russia-based Korea Ungum Corporation, a DPRK Foreign Trade Bank front company (see S/2021/211 para. 141 ; S/2020/151 para 173 ; S/2019/691 para 56).

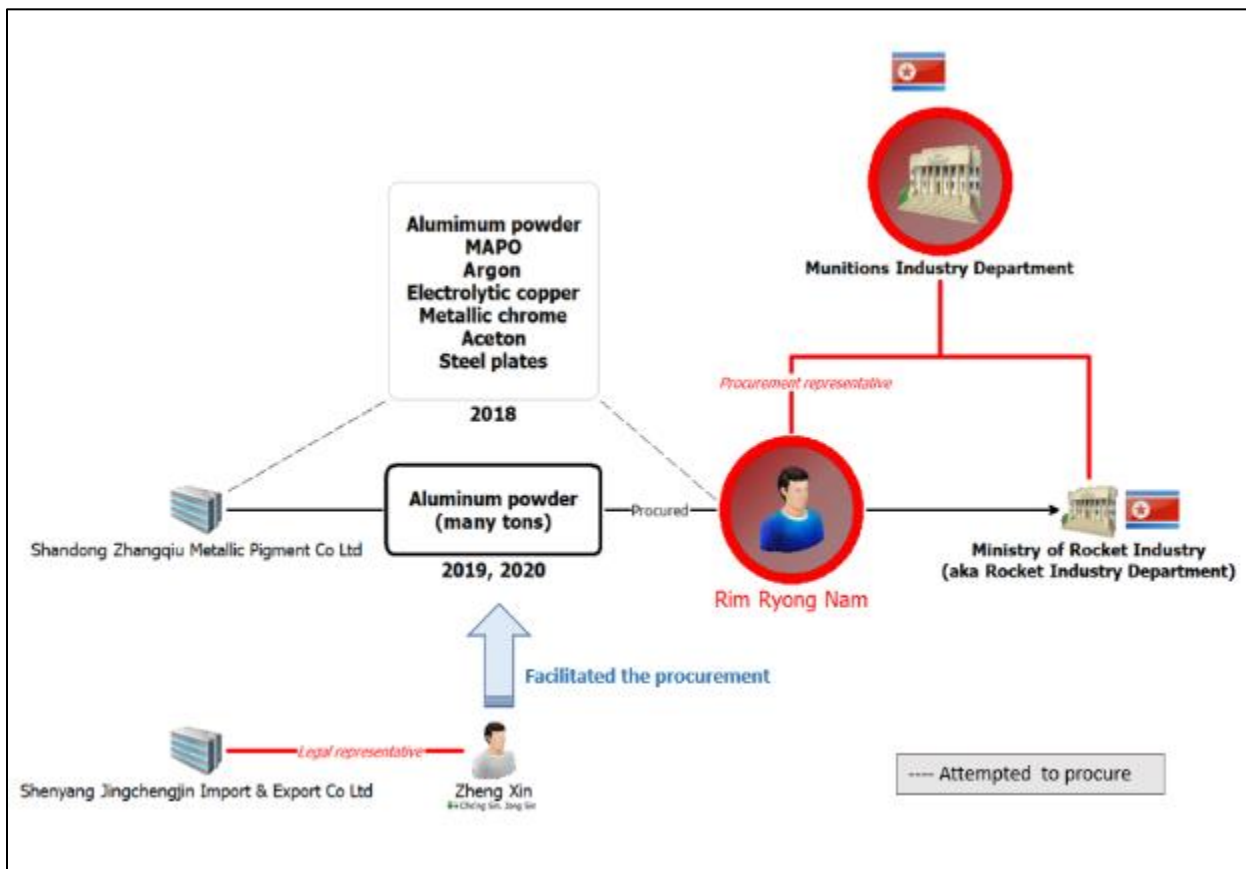
⁵⁰ Munitions Industry Department (MID) has been designated (KPe.028) by the Security Council (resolution [2270 \(2016\)](#)) for its involvement in key aspects of the DPRK's missile program.

⁵¹ S/2020/840, annex 6-3 (MAPO is a bonding agent used for propellant of solid fuel missiles).

⁵² Missile Technology Control Regime (MTCR) controls both aluminum powder (item 4.C.2.c of the MTCR Annex) and MAPO (item 4.C.6.a

⁵³ Ministry of Rocket Industry (aka Rocket Industry Department) is a subordinate organization to the MID (KPe.028).

⁵⁴ 章丘市金属颜料有限公司铝粉厂

Figure 30-2: Rim Ryong Nam's procurement activities

Source: Member State, illustrated by the Panel.

Annex 31: Report to the 1718 Committee by 50 Member States on the DPRK's breach of the refined petroleum cap in Security Council resolution 2397 (2017)

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

The Republic of Albania, Australia, Austria, Belgium, the Republic of Bulgaria, Canada, Chile, Costa Rica, the Republic of Croatia, the Republic of Cyprus, the Czech Republic, Denmark, the Dominican Republic, Estonia, Finland, France, Georgia, the Federal Republic of Germany, Greece, Honduras, Hungary, Iceland, Ireland, Israel, Italy, Japan, the Hashemite Kingdom of Jordan, the Republic of Latvia, Liechtenstein, Lithuania, Luxembourg, the Republic of Malta, the Federated States of Micronesia, Moldova, Montenegro, the Kingdom of the Netherlands, New Zealand, Norway, the Republic of Palau, Peru, the Republic of Poland, Portugal, the State of Qatar, the Slovak Republic, the Republic of Slovenia, Spain, the Republic of Turkey, Ukraine, the United Kingdom, and the United States, 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.

Moreover, 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. The information in this report demonstrates that the DPRK has exceeded the UNSCR 2397 annual 500,000 barrel cap for 2021.

This submission further affirms previous submissions from 2018, 2019, and 2020 (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, S/2020/151, S/2020/840, S/2021/211, and S/2021/777) 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 previous 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 to conduct UN-prohibited STS transfers and imports of refined petroleum that are not reported to the 1718 Committee as required, 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 and in the DPRK's territorial sea, without these deliveries being reported to the UN 1718 Committee. STS transfers of any cargo are explicitly prohibited by UNSCR 2375, so the relevant Member States involved in supplying refined petroleum products to DPRK tankers fail to report these volumes to avoid self-incrimination. As a result, 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 chooses to halt these prohibited programs and completely denuclearize. If the DPRK is able to continue evading international sanctions, it will have little incentive to make such choices. 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 – which also undermines both the DPRK UNSCRs as well as the UN 1718 Committee.

We estimate that, this year alone, the DPRK has imported over 525,000 barrels via 18 confirmed tanker deliveries and 11 laden DPRK-flagged tankers that were waiting outside of DPRK ports to discharge their cargo as of September 30. As discussed in previous submissions on the DPRK breaching the import cap in 2018, 2019, and 2020, 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 calculates how much petroleum was acquired by the DPRK based on each vessel's dead weight tonnage. In 2021, all known refined petroleum transfers to the DPRK utilized DPRK-flagged vessels, a change from previous years when foreign-flagged delivery vessels directly unloaded petroleum at DPRK ports. Due to COVID-19 restrictions, oil was acquired by DPRK-flagged ships from foreign flagged vessels via STS, and those laden DPRK-flagged ships then underwent quarantine measures outside of the lock-gates near DPRK ports prior to delivering their petroleum cargoes.

We assess that each tanker is at least 90 percent laden due to the risks and costs involved in conducting illicit STS in order to acquire refined petroleum. Given the relative scarcity of refined petroleum products in the DPRK as well as the high cost of obtaining illicit petroleum cargoes via STS, it is highly unlikely that DPRK tankers deployed in search of fuel via STS transfers would return to DPRK ports with less than 90 percent of its cargo capacity filled. The expenditure of resources and risks of disruption to the tanker itself during these journeys, as well as the DPRK's dependence on imported refined petroleum, would not justify the DPRK tanker in question returning to port with less than 90 percent of its cargo capacity filled. Therefore, the 90 percent laden capacity volume is employed for this report.

We are providing images of 18 unreported deliveries of refined petroleum products to DPRK ports, which, when aggregated, represent 323,865 barrels of illicit imports. In addition, we are providing imagery of 11 DPRK-flagged vessels that were waiting outside of DPRK ports to discharge their cargo as of September 30, which represents another 202,102 barrels. Combined, these volumes represent 525,967 barrels of illicit imports -- constituting a clear breach of the cap imposed by UNSCR 2397 OP 5.

Table 1 and 2 below documents each of these transfers and provides an associated volume for each one.

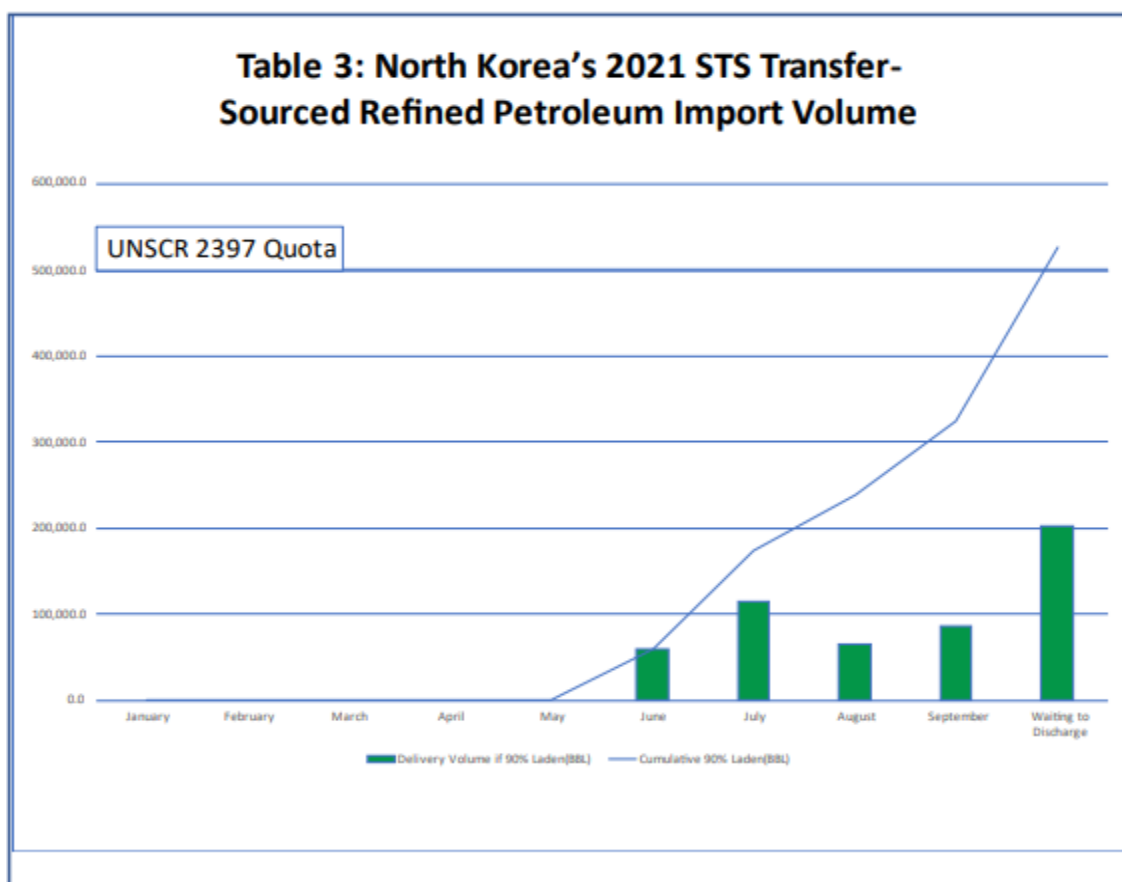
TABLE 1: DPRK-FLAGGED VESSELS THAT HAVE DISCHARGED IN 2021

					BARRELS
<u>SHIP NAME</u>	<u>FLAG STATE</u>	<u>IMO</u>	<u>DISCHARGE DATE</u>	<u>LOCATION</u>	<u>90% Laden</u>
AN SAN 1	DPRK	7303803	18-Jun, 2021	CHONGJIN	20,270.3
UN HUNG	DPRK	9045962	21-Jun, 2021	NAMPO	24,873.8
SIN PHYONG 2	DPRK	8817007	29-Jun, 2021	HUNGNAM	14,208.8
PO CHON	DPRK	8848276	2-Jul, 2021	NAMPO	23,881.5
SAM JONG 2	DPRK	7408873	11-Jul, 2021	HUNGNAM	16,922.3
RYE SONG GANG 1	DPRK	7389704	17-Jul, 2021	HUNGNAM	20,270.3
YU JONG 2	DPRK	8604917	19-Jul, 2021	HUNGNAM	8,140.5
JI SONG 6	DPRK	8898740	21-Jul, 2021	NAMPO	8,437.5
PAEK MA	DPRK	9066978	25-Jul, 2021	NAMPO	15,187.5
CHIL BO SAN	DPRK	8711021	29-Jul, 2021	HUNGNAM	13,493.3
SAE BYOL	DPRK	8916293	29-Jul, 2021	HUNGNAM	7,762.5
KUM JIN GANG 3	DPRK	8791667	8-Aug, 2021	NAMPO	33,635.3
SAM JONG 1	DPRK	8405311	22-Aug, 2021	HUNGNAM	11,238.8
PU RYONG	DPRK	8705539	25-Aug, 2021	NAMPO	19,500.8
NAM SAN 8	DPRK	8122347	3-Sep, 2021	NAMPO	21,262.5
KUM JIN GANG 2	DPRK	NONE	3-Sep, 2021	NAMPO	15,842.3
CHON MA SAN	DPRK	8660313	16-Sep, 2021	NAMPO	24,063.8
UN HUNG	DPRK	9045962	21-Sep, 2021	NAMPO	24,873.8
SUBTOTAL					323,865.0

TABLE 2: LADEN DPRK-FLAGGED VESSELS CURRENTLY WAITING TO DISCHARGE

					BARRELS
<u>SHIP NAME</u>	<u>FLAG STATE</u>	<u>IMO</u>	<u>DISCHARGE DATE</u>	<u>LOCATION</u>	<u>90% Laden</u>
CHONG RYONG SAN	DPRK	NONE	N/A	NAMPO	13,466.3
AN SAN 1	DPRK	7303803	N/A	NAMPO	20,270.3
KUM JIN GANG 3	DPRK	8791667	N/A	NAMPO	33,635.3
KUM UN SAN	DPRK	8720436	N/A	NAMPO	13,972.5
MU BONG 1	DPRK	8610461	N/A	NAMPO	13,486.5
PU RYONG	DPRK	8705539	N/A	NAMPO	19,500.8

RYE SONG GANG	DPRK	7389704	N/A	NAMPO	20,270.3
SONG WON	DPRK	8613360	N/A	NAMPO	14,181.8
YU JONG 2	DPRK	8604917	N/A	NAMPO	8,140.5
YU SON	DPRK	8691702	N/A	NAMPO	22,936.5
SIN PHYONG 5	DPRK	8865121	N/A	HUNGNAM	22,241.3
SUBTOTAL					202,101.8
TOTAL DISCHARGED AND AWAITING DISCHARGE					525,966.8



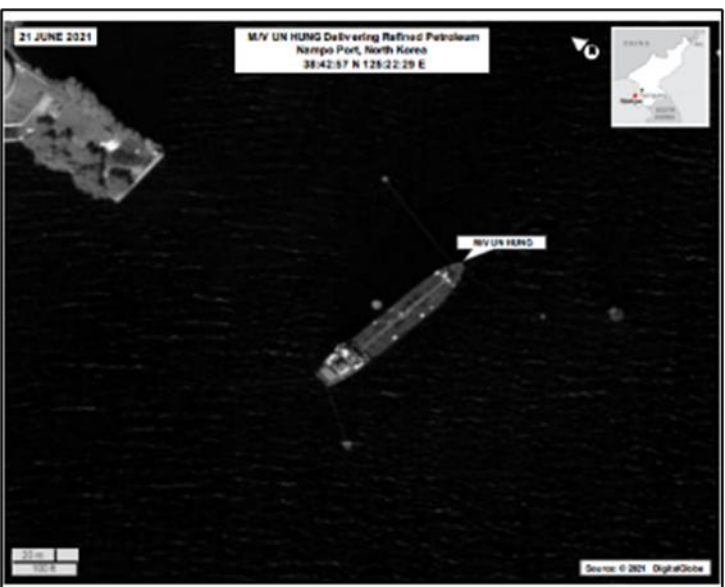
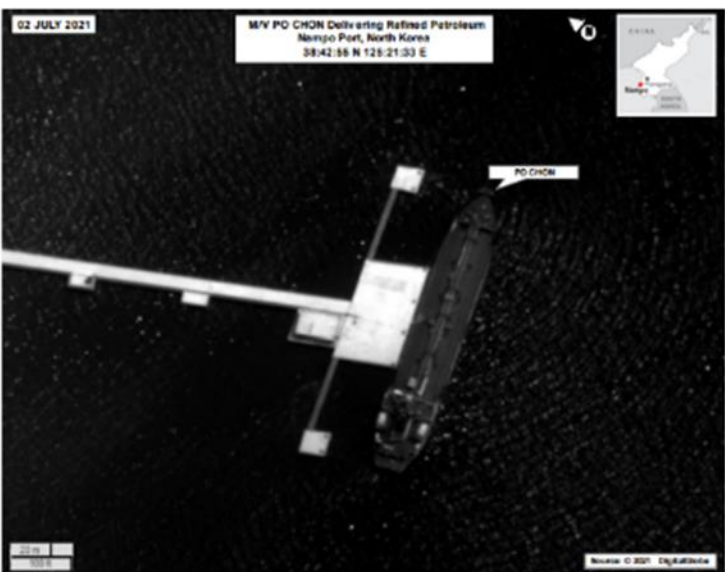
As Table 3 above demonstrates, the DPRK has clearly surpassed the UNSCR 2397 refined petroleum products import cap in 2021. As of the submission of this report, the People's Republic of China (PRC) has additionally reported 38,334 barrels of refined petroleum transfers to the UN 1718 Committee for the months of January through August 2021, bringing the

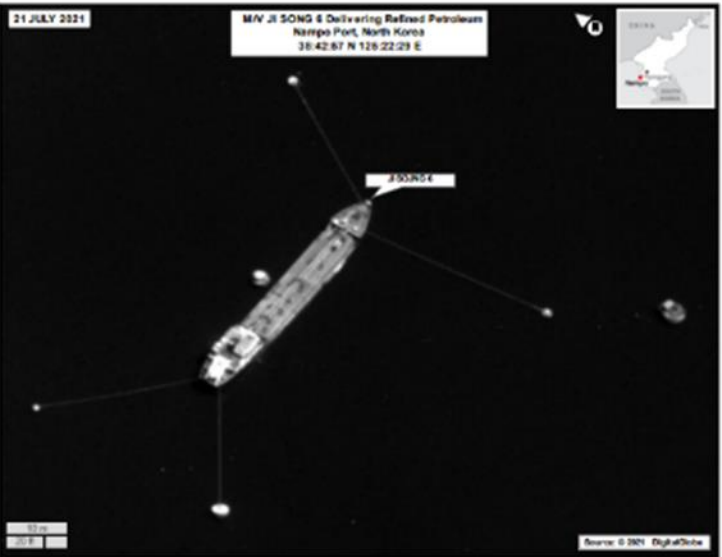
DPRK's overall total of refined petroleum product imports in 2021 to more than 564,301 barrels as of September 30, 2021.

Given the information provided herein, 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 2021 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 information in order to make a determination in its next 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.

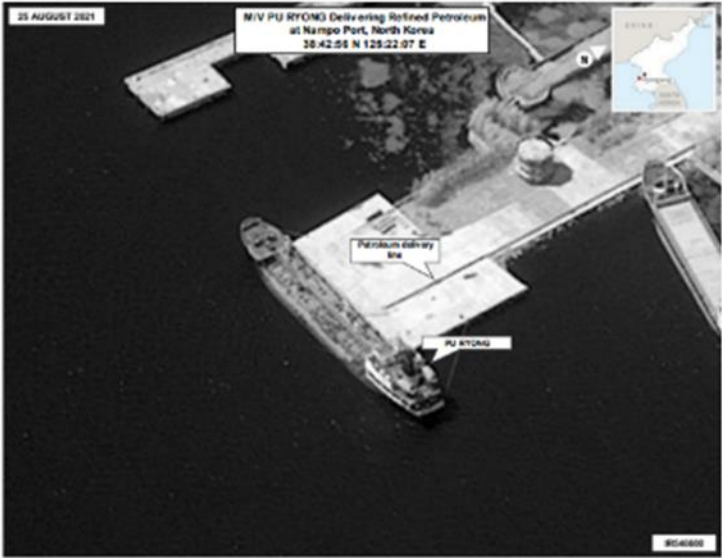
APPENDIX 1: DPRK-FLAGGED VESSELS THAT HAVE DISCHARGED IN 2021





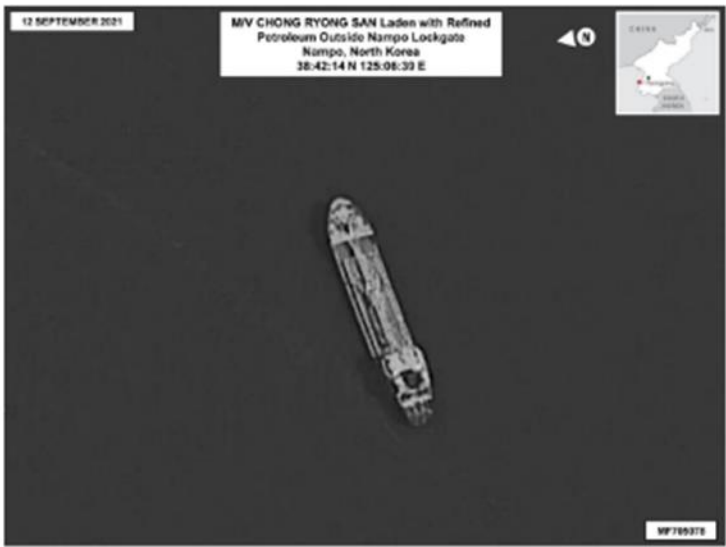


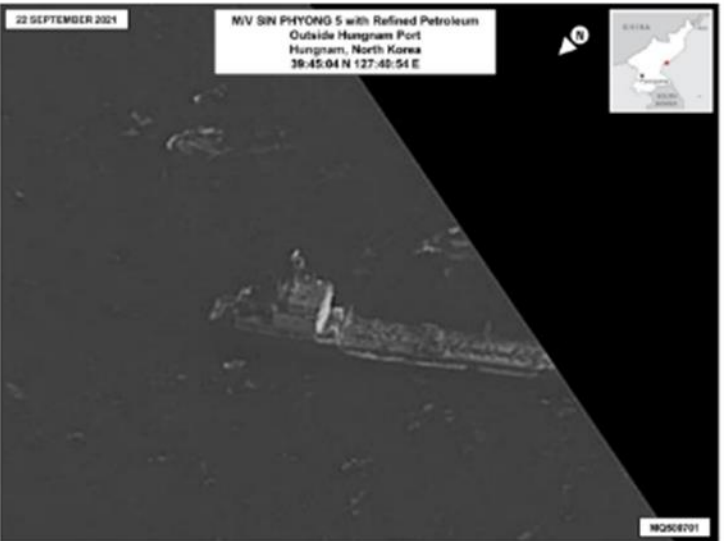






APPENDIX 2: LADEN DPRK-FLAGGED VESSELS CURRENTLY WAITING TO DISCHARGE







Annex 32: Responses of China and Russia to report on breach of the cap on refined petroleum deliveries to DPRK**Communication dated 13 December 2021 from the delegation of China to the 1718 Committee**

Any action of the Committee should be taken on the basis of solid evidence and sufficient facts. The report in this proposal does not provide concrete evidence of DPRK-flagged vessels engaging in ship-to-ship transfer of refined petroleum products, or an accurate and verifiable amount of refined petroleum products in each delivery. Its conclusion is only based on assumptions and estimations. It is neither scientific nor prudent to reach such a conclusion that the annual limit has been exceeded. In addition, estimations of the delivery volume for each shipment contained in this report do not even match that of the previous reports submitted by relevant Member States. China needs more time to study this proposal and would like to put it on hold. The Member States that made this proposal are recommended to provide more factual, accurate and verifiable information for the Committee's consideration.

Communication dated 13 December 2021 from the delegation of the Russian Federation to the 1718 Committee

In regard of refined petroleum cap Russia would like to recall the provisions of the Security Council 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. In the absence of the aforementioned notification of the Committee, export of refined petroleum products to the DPRK does not contravene the requirements of the 1718 sanctions regime. We understand the concerns expressed by the Member States in their letter. At the same time it is not possible to verify the accuracy of the provided information and its conclusions. Russia would like to put it on hold.

Annex 33: Deliveries of DPRK tankers of unreported refined petroleum at DPRK ports, June to September 2021

The following lists the DPRK-flagged vessels at its various home ports with unreported refined petroleum deliveries.

Table 1

VESSELS THAT HAVE DISCHARGED IN 2021				
SHIP NAME	IMO	DISCHARGE DATE	LOCATION	BARRELS 90% Laden
AN SAN 1	7303803	18-Jun	CHONGJIN	20,270.3
UN HUNG	9045962	21-Jun	NAMPO	24,873.8
SIN PHYONG 2	8817007	29-Jun	HUNGNAM	14,208.8
PO CHON	8848276	2-Jul	NAMPO	23,881.5
SAM JONG 2	7408873	11-Jul	HUNGNAM	16,922.3
RYE SONG GANG 1	7389704	17-Jul	HUNGNAM	20,270.3
YU JONG 2	8604917	19-Jul	HUNGNAM	8,140.5
JI SONG 6	8898740	21-Jul	NAMPO	8,437.5
PAEK MA	9066978	25-Jul	NAMPO	15,187.5
CHIL BO SAN	8711021	29-Jul	HUNGNAM	13,493.3
SAE BYOL	8916293	29-Jul	HUNGNAM	7,762.5
KUM JIN GANG 3	8791667	8-Aug	NAMPO	33,635.3
SAM JONG 1	8405311	22-Aug	HUNGNAM	11,238.8
PU RYONG	8705539	25-Aug	NAMPO	19,500.8
NAM SAN 8	8122347	3-Sep	NAMPO	21,262.5
KUM JIN GANG 2	NONE	3-Sep	NAMPO	15,842.3
CHON MA SAN	8660313	16-Sep	NAMPO	24,063.8
UN HUNG	9045962	21-Sep	NAMPO	24,873.8
SUBTOTAL				323,865.0
LADEN VESSELS CURRENTLY WAITING TO DISCHARGE				
SHIP NAME	IMO	DISCHARGE DATE	LOCATION	BARRELS 90% Laden
CHONG RYONG SAN	NONE	N/A	NAMPO	13,466.3
AN SAN 1	7303803	N/A	NAMPO	20,270.3
KUM JIN GANG 3	8791667	N/A	NAMPO	33,635.3
KUM UN SAN	8720436	N/A	NAMPO	13,972.5
MU BONG 1	8610461	N/A	NAMPO	13,486.5
PU RYONG	8705539	N/A	NAMPO	19,500.8
RYE SONG GANG	7389704	N/A	NAMPO	20,270.3
SONG WON	8613360	N/A	NAMPO	14,181.8
YU JONG 2	8604917	N/A	NAMPO	8,140.5
YU SON	8691702	N/A	NAMPO	22,936.5
SIN PHYONG 5	8865121	N/A	HUNGNAM	22,241.3
SUBTOTAL				202,101.8
TOAL DISCHARGED AND AWAITING DISCHARGE				525,966.8

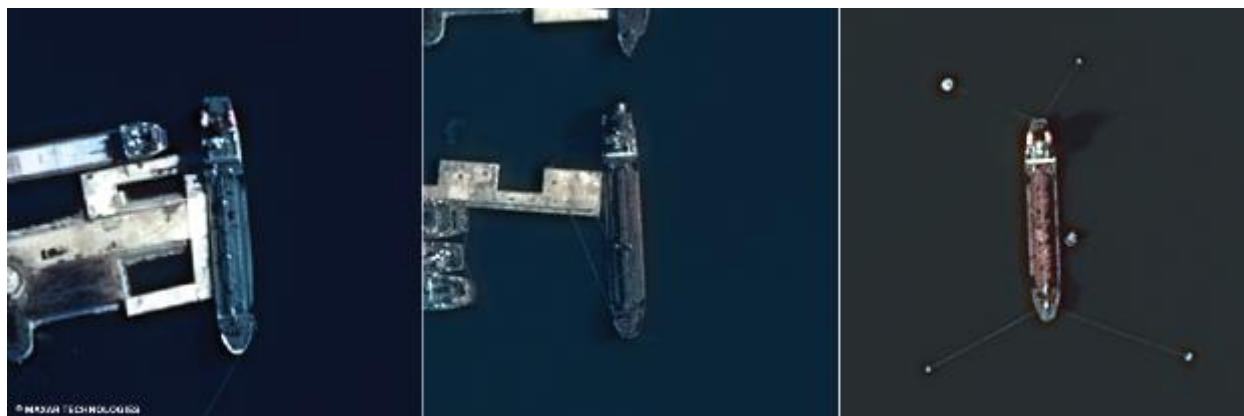
**Table 1:
Delivery Volumes
of Documented
Deliveries**

*NOTE: The Member State has provided imagery for each of the DPRK-flagged vessels.

The above-mentioned vessels have been featured in previous Panel reports for delivering illicit refined petroleum to the DPRK. The Panel's reports and its investigations have illustrated that DPRK tankers typically do not enter third country ports to avoid detection and detention. They typically obtain their refined petroleum cargo via ship-to-ship transfers at sea. The modus operandi includes using smaller unmarked vessels or vessels without IMO numbers used to transfer the oil cargo from suspect vessels and then to DPRK-flagged or direct delivery vessels. Such transfer tactics are conducted with the express purpose of avoiding easy detection of oil transfers to DPRK-linked vessels. The Panel considers such transfers as aiding and facilitating delivery of illicit refined petroleum to the DPRK. The Panel's investigations in this report give examples of ship-to-ship transfers involving the various DPRK-flagged tankers listed at table 1.

A think tank reported⁵⁵ that DPRK tankers have continued to deliver unreported refined petroleum products to DPRK ports for the remainder of the year 2021. A sample of the vessels at ports for the months of October, November and December are at figure 33:

Figure 33: Sample imagery of DPRK-flagged vessels at Nampo port for the months of October, November and December 2021



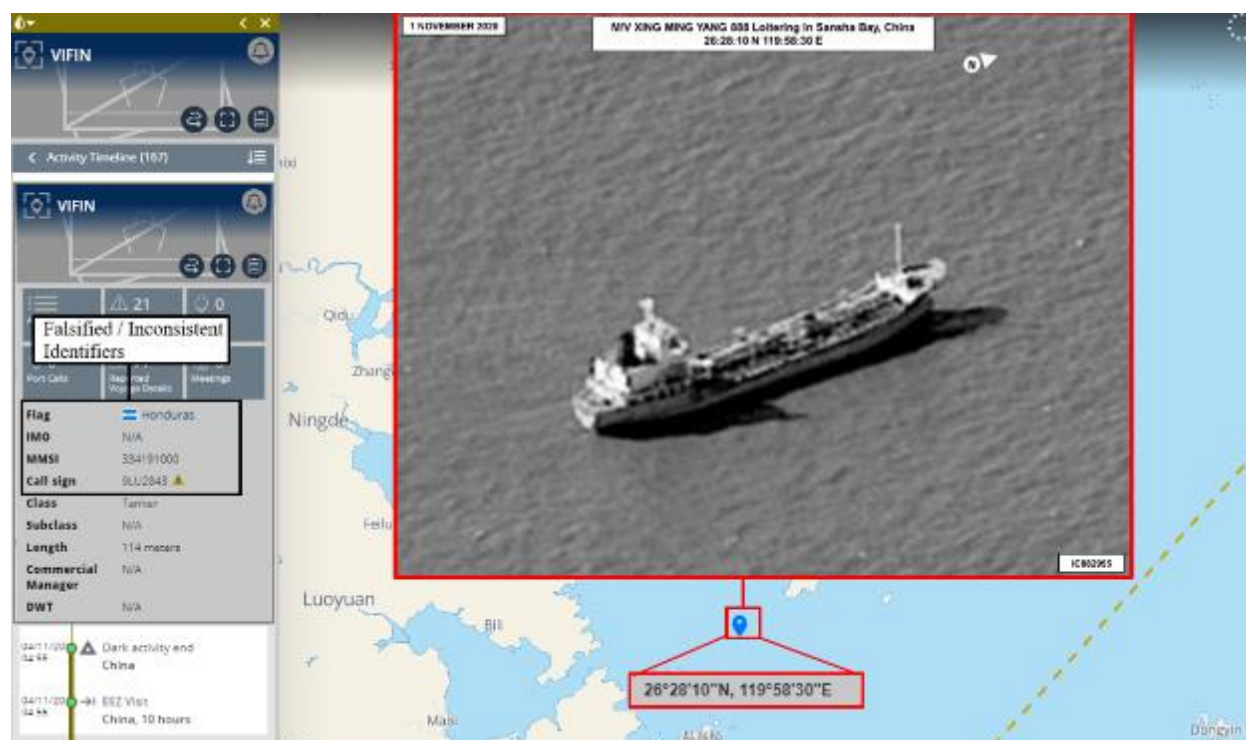
Source: RUSI, Maxar Technologies (left to right: NAM SAM 8 on 17 October 2021, YU SON on 12 November 2021 and PAEK MA on 3 December 2021).

⁵⁵ See <https://rusi.org/explore-our-research/publications/commentary/north-koreas-oil-terminals-come-back-life-imports-breach-uncsc-cap>

Annex 34: Stateless Direct Delivery vessels in the Korea Bay, April 2021

The Panel in several reports highlighted the stateless direct delivery vessel XING MING YANG 888 (IMO: 8410847) had broadcasted on multiple false identifiers over time. In November 2020, the vessel transmitted a fraudulent identity as the Honduras-flagged VIFIN (MMSI: 334191000), with a call sign associated with the direct delivery vessel VIFINE (IMO: 9045962) (see figure 34-1), now sailing as the DPRK-flagged UN HUNG⁵⁶. The XING MING YANG 888, which was historically flagged under the DPRK (as ZUNXIA NG)⁵⁷ before being flagged out, likely retained its DPRK-links.

Figure 34-1: XING MING YANG 888 sailing with a call sign associated with another direct delivery vessel, VIFINE (nka DPRK-flagged UN HUNG), Sansha Bay, 1 November 2020



Source: Windward, annotated by the Panel (inset imagery, Member State).

On 24 April 2021, satellite imagery showed three stateless vessels, XING MING YANG 888 (IMO: 8410847), SUBBLIC (IMO: 8126082) and HOKONG (IMO: 9006758) anchored inside of the DPRK's Exclusive Economic Zone (EEZ) (see figure 34-2). These vessels have been proposed by the Panel for designation and repeatedly featured in Panel reports for sanctions evasion activities.

⁵⁶ August 2020.

⁵⁷ 2010-2014.

Low resolution imagery a day later showed the likely XING MING YANG 888 meeting with another vessel measuring 85 meters in length still within the DPRK's western coast's EEZ at similar coordinates (see figure 34-2). The Panel notes only two oil tankers in the DPRK's fleet appear to fit that length, RYE SONG GANG 1 (IMO: 7389704) and AN SAN 1 (IMO: 7303803).

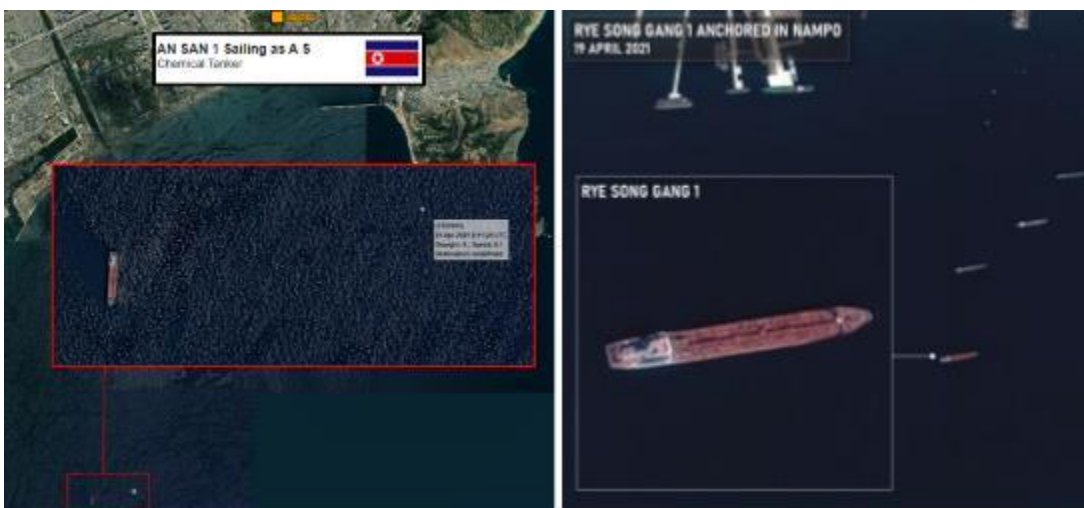
Figure 34-2: Likely XING MING YANG 888, Korea Bay, 25 April 2021



Source: Planet Labs Inc., annotated by the Panel.

The AN SAN 1 was located on the east coast of the DPRK at Chongjin port area on 21 April 2021, with the RYE SONG GANG 1 at a closer location anchored at Nampo port area on 19 April 2021 (see figure 34-3), indicating the RYE SONG GANG 1 as the candidate for the ship-to-ship transfer.

Figure 34-3: AN SAN 1 at the DPRK's eastern port of Chongjin and the RYE SONG GANG 1 at the DPRK's western port of Nampo, April 2021



Source: (left) IHS Markit Seaweb; (right) Planet Labs Inc.

Both the AN SAN 1 and RYE SONG GANG 1 continued to call at DPRK ports to discharge refined petroleum in 2021 (see figure 34-4). Both the AN SAN 1 and the RYE SONG GANG 1 have a combined full (90% laden) capacity of 20,270.3 barrels of refined petroleum.

Figure 34-4: AN SAN 1 and RYE SONG GANG 1 at Chongin and Hungnam ports respectively, in June and July 2021



Source: Member State.

The following table lists the direct delivery vessels observed by the Panel in or near the DPRK's EEZ in 2021. The listed vessels have been previously investigated and recommended by the Panel for designation for the illicit transfer of refined petroleum to the DPRK. Given that the DPRK's COVID-19 restrictions appear to only allow its flagged vessels to enter port, direct delivery vessels have sailed towards the DPRK's EEZ to conduct ship-to-ship transfers with DPRK tankers instead. The table lists the load capacity of each of the vessels (DWT⁵⁸):

Table of direct delivery vessels in DPRK EEZ or engaged in ship-to-ship transfers, 2021

Vessel	DWT	In or around DPRK EEZ or engaged in ship-to-ship transfers in 2021
DIAMOND 8	9,273	Yes
HOKONG* sailing as SHUNKAI	3,995	Yes
NEW KONK	8,057	Yes
SUBBLIC	5,989	Yes
XING MING YANG 888	7,303	Yes
UNICA sailing as HAISHUN 2	4,865	Yes

*Subject to demolition

Source: The Panel.

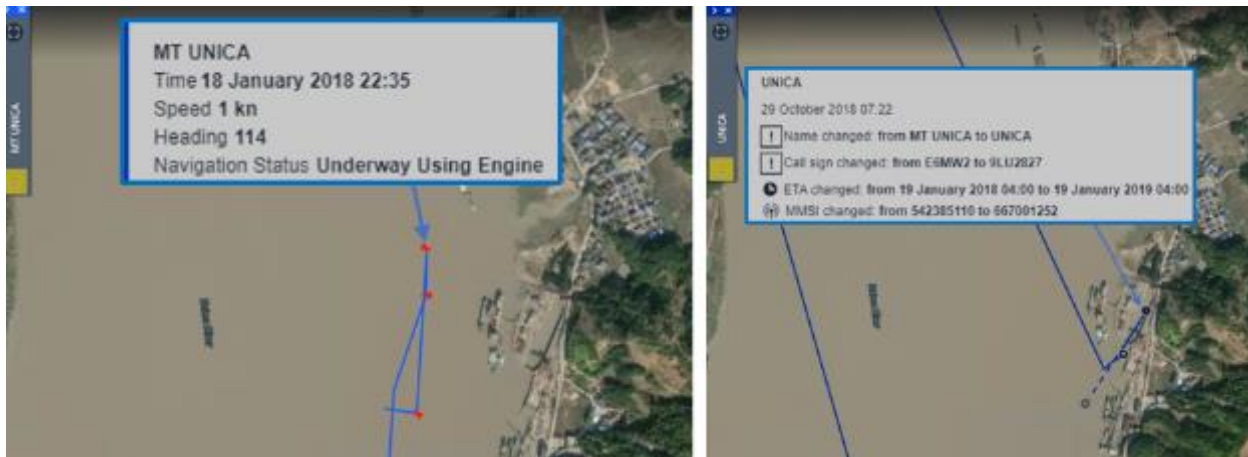
⁵⁸ DWT or dead-weight tonnage is a measure of a ship's carrying capacity that includes the amount of (oil) cargo, water, crew and provision stores that a ship can carry. The ships' DWT are sourced from the IMO.

Annex 35: Pattern of behavior of direct delivery vessel UNICA (IMO: 8514306)

The Panel first reported on the then Sierra Leone-flagged vessel UNICA in 2020 when it delivered unreported refined petroleum to the DPRK on multiple occasions⁵⁹.

The UNICA shared a similar pattern of behavior as that of the NEW KONK (IMO: 9036387) as well as other direct delivery vessels. In December 2017, the Hong Kong-incorporated Rui He (HK) Marine Co Ltd became the owner and manager of UNICA. The vessel was re-flagged under Niue in the same month. A maritime database platform lists the vessel as flagged unknown shortly thereafter, until the vessel was re-flagged under Sierra Leone in October 2018. During this period, UNICA's intermittent AIS transmissions indicated arrived at the Bama River in Fujian Province by January 2018 and visited at least two shipyards, including at Fujian Yihe Shipbuilding Industry Co., Ltd. / 福建省易和船舶重工有限公司, (hereafter "Fujian Yihe") in October / November 2018 (see figure 35).

Figure 35: UNICA at the Baima River in January 2018, and at Fujian Yihe shipyard, October 2018



Source: Windward, annotated by the Panel.

NOTE: Satellite imagery is presented for location purposes only and not registered on the same date as the AIS signal overlays.

⁵⁹ S/2021/151, para. 20 and annex 2.

In October 2018, the vessel again transferred ownership and management to BVI-registered Prospera Pacific International, with the Hong Kong-incorporated Nuwanni International Ship as its Document of Compliance (DOC) company holder. The vessel was also re-flagged under Sierra Leone. As the Panel had previously reported, the Nuwanni International⁶⁰ also served as DOC holder company to the SUBBLIC (IMO: 8126082), another direct delivery vessel. The company also listed its address⁶¹ that is shared by a corporate service registry provider associated with other entities that owned direct delivery vessels.

The vessel's AIS history showed it was more recently back at Fujian Yihe in April 2021, transmitting as the LITON.

Source: The Panel.

⁶⁰ Dissolved in July 2019.

⁶¹ Room 502C, 5th Floor, Ho King Commercial Building, Fa Yuen Street, Mong Kok, Kowloon, Hong Kong, China.

Annex 36: Table of laundered identifiers used by direct delivery and other suspect vesselsTable 36: Direct Delivery vessels occasionally transmitting on fraudulent identifiers^a

<i>Name</i>	<i>IMO No.</i>	<i>Transmitting as</i>	<i>MMSI No.</i>	<i>Last port State control inspected</i>
NEW KONK	9036387	M0USON F. LONLINE	511444000 312162000	July 2018
SUBBLIC	8126082	HAI ZHOU 168	667001397	May 2004
UNICA ^b	8514306	LITON HAISHUN 2	457106000 457400047	No data

Source: Panel.

^a The table is not exhaustive and represents what has been presented in the Panel's reports.

^b See annex 37.

Source: The Panel.

Annex 37: Direct delivery vessel UNICA (IMO: 8514306) transmitting as LITON and HAISHUN 2

The UNICA is a stateless vessel that has been recommended by the Panel for unreported illicit deliveries refined petroleum to the DPRK in 2019 and 2020. It was observed along the Baima River in Fujian Province, China, transmitting intermittently on a Mongolia-associated MMSI: 457106000 that belongs to the LITON (IMO: 8346395) in April and July 2021 (see figure 37-1).

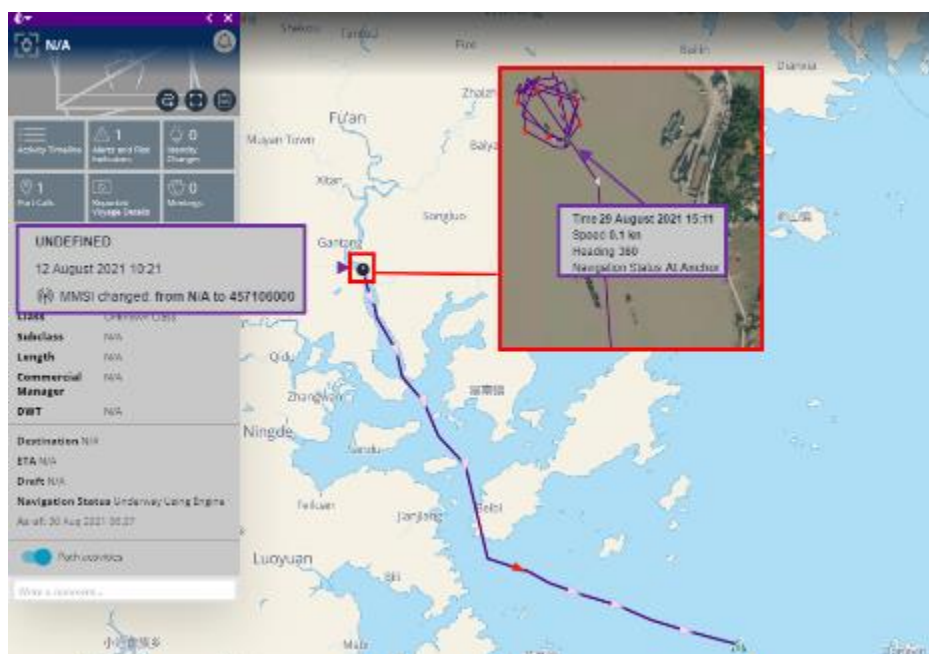
Figure 37-1: UNICA along the Baima River, April and July 2021



Source: (top) Maxar Technologies, annotated by the Panel; (bottom) Member State.

The vessel sailed out of Baima River by 31 August 2021 (see figure 37-2).

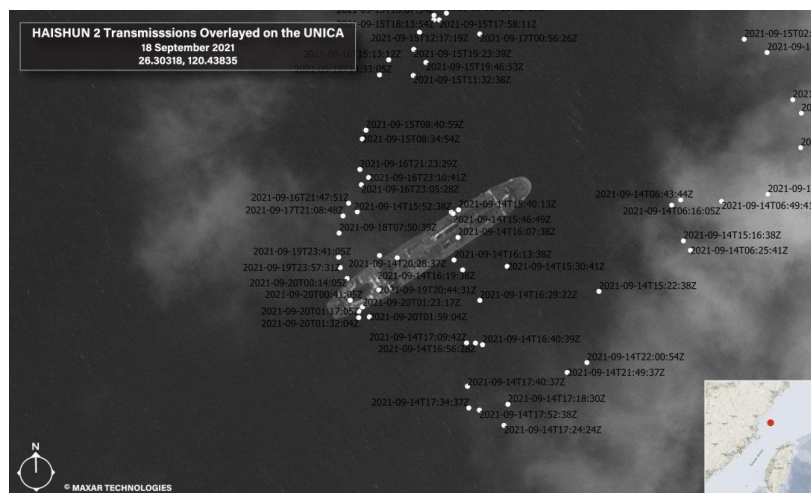
Figure 37-2: UNICA as LITON anchored at Baima River prior to sailing out, 29 August 2021



Source: Windward, annotated by the Panel.

In September 2021, AIS transmissions overlay showed the UNICA transmitting on another fraudulent identity as the HAISHUN 2 (MMSI: 457400047). The vessel was transmitting near Dongyin Island, an area the Panel has previously identified where direct delivery and other suspects vessels have either transited or anchored in (see figure 37-3). Further, the vessel was not transmitting an IMO number and broadcasted the same callsign JVGN7 that the UNICA had used when it broadcasted as the LITON at Baima River two months earlier.

Figure 37-3: UNICA transmitting as HAISHUN 2, Dongyin Island, 18 September 2021

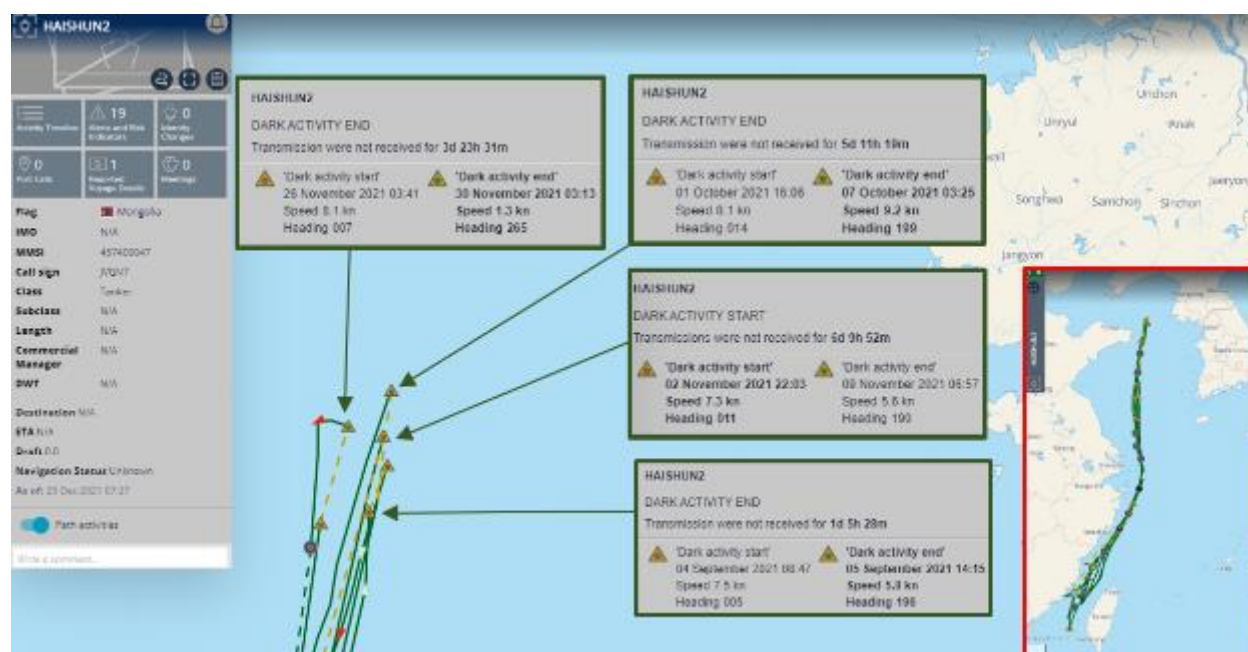


Source: Member State.

The HAISHUN 2 began broadcasting on this MMSI on 1 September 2021 in Chinese territorial waters off Wenling, Zhejiang Province, China.

Its voyage route is consistent with tracks observed of other direct delivery vessels that had illicitly procured refined petroleum for the DPRK, where the vessel sailed up the Yellow Sea in a northerly direction before dropping AIS signal in the high seas after passing Shidao, China, and resumed transmission in the same area days later, sailing back in the opposite direction (see figure 37-4).

Figure 37-4: UNICA sailing as HAISHUN 2 transmitting several trips near the DPRK's EEZ, September to November 2021



Source: Windward, annotated by the Panel.

Source: The Panel.

Annex 38: Network of linked entities associated with direct delivery vessels

The NEW KONK (IMO: 9036387), like other vessels investigated by the Panel that delivered illicit refined petroleum to DPRK ports (termed “direct delivery vessels”), were acquired by new owners in 2018 / 2019 before they began their illicit oil deliveries⁶².

The NEW KONK’s registered owner, New Konk Ocean International Company Limited (新康海洋國際有限公司) and the VIFINE ‘s (now DPRK-flagged UN HUNG) (IMO: 9045962) then registered owner Hongxin International Ship Management Co. Limited (鴻信國際船舶管理有限公司), both listed the same address on Hong Kong corporate registry records⁶³. Both entities, New Konk Ocean International and Hongxin International, were registered in the same month.

The NEW KONK and VIFINE also shared the same historical ship owner, manager and operator, All Sefety Ocean International Trading Co. Limited (全安海洋國際貿易有限公司). All Sefety also owned, managed and operated another direct delivery vessel, the HOKONG (IMO: 9006758) in February 2019, with the vessel conducting direct deliveries to the DPRK.

Prior to its transfer of ownership to All Sefety, the VIFINE was owned and managed by another Hong Kong-incorporated entity, Ha Fa Trade International (海發貿易國際有限公司). Ha Fa Trade also historically managed the direct delivery vessel SUBBLIC (IMO: 8126082) when it was sailing as XIN YUAN 18 before its sale to Milyan R Trade International (邁源紅貿易國際有限公司) in October 2018. Nuwanni International Ship Management Co. Limited (紐縵日國際船舶管理有限公司) served as the vessel’s Document of Compliance holder. Nuwanni was in turn also the Document of Compliance holder to the direct delivery vessel UNICA (IMO: 8514306). Nuwanni also shares the same listed address as All Sefety.

⁶² S/2020/151, paras. 10~27 and 32.

⁶³ IHS Markit. The listed address provided belonged to be entity providing corporate secretary services.

Corporate registry documents for the above Hong Kong-based companies showed different listed company directors and shareholder for each entity. These individuals included nationals from mainland China, Myanmar and the Philippines. Despite being ostensibly being owned by different individuals, All Sefety and Nuwanni were both registered in Hong Kong on the same day⁶⁴. The Panel notes that the listed directors and shareholders on Hong Kong corporate registry documentation may not be the beneficial owners or in certain cases or have a confirmed established association with the vessel.

Nuwanni, the Document of Compliance holder for the SUBBLIC and for the UNICA, was also deleted from the Hong Kong registry the same day⁶⁵ as Milyan.R Trade, the owner of the SUBBLIC.

All Sefety, Ha Fa Trade, Milyan.R Trade International, and Nuwanni have used the same corporate secretary provider with a registered address in Wan Chai, Hong Kong.

Source: The Panel.

⁶⁴ Registered on 25 April 2018.

⁶⁵ Deleted on 26 July 2019.

Annex 39a: Suspect vessel at Fujian Yihe Shipyard – NEW KONK as F.LONLINE

The Panel has over the years reported on sanctions evasion methods used by vessels engaged in the illicit procurement of commodities to the DPRK. This involved various forms of vessel disguises, including: physical alterations of vessels, vessel renovation, transmitting on a different (falsified) identifier, and the falsification of paperwork. In its most recent two reports⁶⁶, the Panel has identified and described sophisticated methods of laundering vessels' identities, which enabled suspect vessels to continue to violate the DPRK sanctions regime. The Panel has deemed such vessel identity laundering measures as sanctions evasion techniques, and accordingly, those involved in these measures considered as facilitators of sanctions evasion. The provision of repair, maintenance and modification services to vessels suspected of evading sanctions enables them to continue to sail, trade and evade sanctions.

Fujian Yihe Shipbuilding Industry Co Ltd (hereafter "Fujian Yihe") (福建省易和船舶重工有限责任公司) is located along the Baima river in Fujian, China. On a Chinese business data website, the shipyard lists its business scope as including ship modification, dismantling, repair, ship building, domestic ship management business, and the import and export of goods or technologies.

A number of vessels that the Panel has investigated for engaging in or enabling sanctions evasion-related activities have docked at the shipyard, likely to receive modification, repair and / or maintenance services. The Panel in its reports has determined that vessel disguise and changing a vessel's appearance to enable sanctioned activities to be conducted, to be a sanctions evasion tactic.

The following examples are provided:

NEW KONK as F.LONLINE (fka SMOOTH SEA 3)

The NEW KONK, which had intermittently transmitted under the MOUSON 328's identity in 2020, began transmitted as F.LONLINE from October 2020⁶⁷. The alleged Belize-flagged F.LONLINE was formerly sailing as the then Thailand-flagged SMOOTH SEA 3 (IMO: 8303616) before it was sold to Rui He (HK) Marine Co Ltd and then transferred to Cheng Xin Shipping Ltd in July 2019, sailing as the then Dominica-flagged RUI HE. In October 2019, the vessel again transferred ownership to the Hong-Kong incorporated Brilliant Trade International and was renamed F.LONLINE⁶⁸.

The Panel's on-going investigations into the SMOOTH SEA 3 indicated another suspected case of DPRK-related vessel identity laundering, which resulted in the creation of a suspected fraudulent identity - that of the F.LONLINE.

⁶⁶ S/2021/777 paras. 29-34 and annex 28, and S/2021/211, paras. 31-36 and annex 22.

⁶⁷ Vessel analysis of AIS transmissions on Windward.

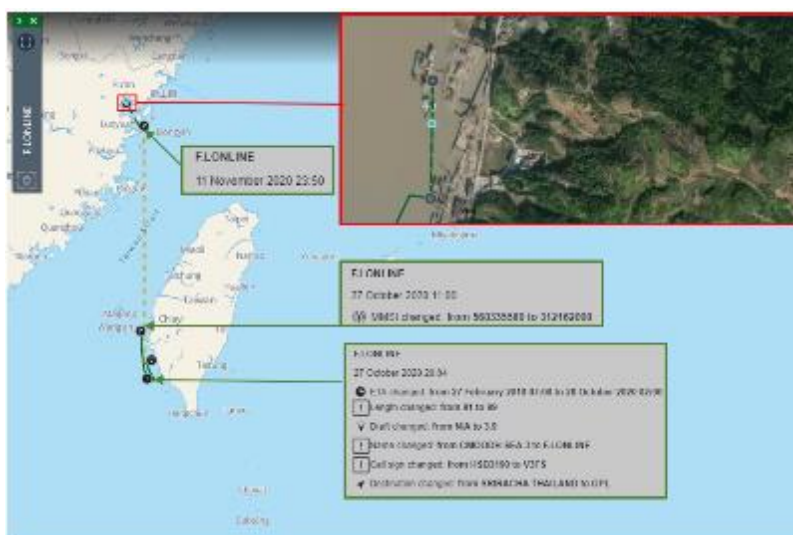
⁶⁸ IMO GISIS.

The F.LONLINE's digital identity was used by the direct delivery vessel NEW KONK (IMO: 9036387) (see timeline below). Investigations into the laundering process of the SMOOTH SEA 3's identity indicated the same entities and ship/dockyards involved as those engaged in the laundering of the vessel identities of the SMOOTH SEA 28 / HAI ZHOU 168 / SMOOTH SEA 22, investigated and reported on in S/2021/777. The actual SMOOTH SEA 3 is suspected to be sailing as the Thailand-flagged SMOOTH SEA 30 (IMO: 9892262), a reportedly newly built vessel that laid keel and was constructed at a shipyard in Ningbo, China in 2018. The SMOOTH SEA 30's IMO number is suspected to have been obtained through fraudulent means. The Panel's investigations are consistent with information obtained from a Member State that assessed the vessel characteristics of the SMOOTH SEA 30 and SMOOTH SEA 3 to be virtually identical, and there was no proof of the existence of the SMOOTH SEA 30 as a newly built vessel that laid keel.

Timeline:

In October 2020, the Panel noted a vessel began transmitting as F.LONLINE off Taiwan Province of China before sailing up the Baima River in November 2020 (see figure 39a-1).

Figure 39a-1: A vessel adopting F.LONLINE's identifiers sailing up to Fujian Yihe shipyard, November 2020



Source: Windward, annotated by the Panel.

Note: Inset satellite imagery as representative of the shipyard location, not by actual date on AIS signal overlay; AIS signal overlay as on 9 December 2020).

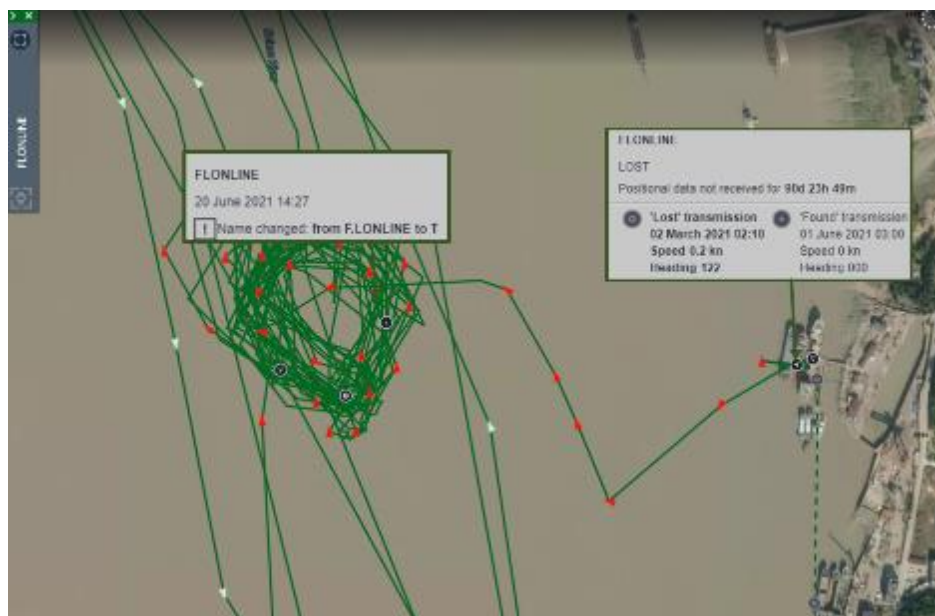
High resolution satellite imagery and vessel AIS transmissions showed the NEW KONK transmitting as the F.LONLINE at Fujian Yihe. The NEW KONK remained moored at Fujian Yihe from December 2020 to June 2021 where it underwent renovation work (see figure 39a-2 and 39a-3).

Figure 39a-2: NEW KONK at Fujian Yihe shipyard, China, 22 April 2021



Source: Maxar Technologies, annotated by the Panel.

Figure 39a-3: NEW KONK transmitting as F.LONLINE in June 2021 at Fujian Yihe, China



Source: Windward, annotated by the Panel.

The NEW KONK departed the shipyard by June 2021 to anchor at Baima River, departing by August 2021 using the F.LONLINE's identity. The vessel was observed on satellite imagery in late August in Sansha Bay, China (see figure 39a-4). It later conducted a ship-to-ship transfer with the DPRK-flagged KUM JIN GANG 3 (IMO: 8791667) in the Korea Bay, see figure 39a-5.

Figure 39a-4: NEW KONK anchored at Sansha Bay, China, 20 August 2020.



Source: Member State.

Figure 39a-5: NEW KONK ship-to-Ship transfer with KUM GIN GANG 3, Korea Bay, 23 September 2021



Source: Member State.

The Panel wrote to Thailand requesting, *inter alia*, a detailed physical inspection and investigation into the SMOOTH SEA 30 that would help establish the vessel's identity, either as a newly-built vessel that laid keel at a shipyard in Ningbo, China, or as a reconstructed vessel, suspected to be the SMOOTH SEA 3 (IMO: 8303616).

Thailand has yet to respond.

The Panel also wrote to the relevant flag registries, shipyards and entities and individuals that owned and managed the vessels. The Panel also wrote to China seeking its assistance on information concerning any refueling or ship-to-ship activity undertaken by the NEW KONK in Chinese territorial waters.

Fujian Yihe has yet to respond.

Cheng Xin Shipping has yet to respond. Ruam Mitr dockyard responded that “...*Chengxin shipping company is our customer, he rented a dockyard for a short period of time.*” The Panel notes that the vessels involved in identity laundering were at the dockyard for significant periods of time. The Panel is in correspondence with the dockyard and continues its investigations.

Belize has yet to respond.

Rui He (HK) Marine Co Ltd has yet to respond.

Dominica has yet to respond.

China responded that “*There is no record of port calls in China for NEW KONK in 2021*”.

Source: The Panel.

Annex 39b: Other suspect vessels at Fujian Yihe Shipyard

RUI HONG 916

Fujian Yihe was identified as having been “in the possession” of the then Sierra Leone-flagged RUI HONG 916 (IMO: 9058866) and carried out repair and maintenance work before it was sold to an end buyer in Fujian, China (see figure 39b-1). The Panel understands that Fujian Yihe also purchases used vessels for repair and resale. The vessel conducted ship-to-ship transfer with the DPRK-flagged KUM UN SAN (IMO: 9720436) on 28 May 2019, two months following its sale⁶⁹.

Figure 39b-1: Bill of Sale of RUI HONG 916

Prescribed by the Commissioners of Customs & Excise with the consent of the Secretary of State for Trade and Industry

Form No.10A

BILL OF SALE (Body Corporate)

IMO Number	Name of Ship	Official Number, year and port of Registry	Whether a sailing, steam or motor ship	Horse power of engine (if any)	
9058866	TAIYO MARU NO.2	133683,1993, Weki-gun, Okayama-Pref., Japan	Motor Ship	735KW	
			Meters	Centimeters	Number of Tons
Length			60	04	Gross
Breadth			10	00	Net
Depth			4	50	498.00 286

and as described in more detail in the Certificate of the Surveyor and the Register Book.

I, **RUIS (HK) MARINE CO., LIMITED** (hereinafter called “the Transferors”) having our registered office at **OFFICE 3A 12/F KAISER CENTRE NO.18 CENTRE STREET SAI YING PUN HK** in consideration of the sum of **USD 1.00 (United States Dollars One Only)** paid to us by **WANG** (hereinafter called “the Transferees”) having their registered office at **FUJIAN PROVINCE P.R.CHINA** the receipt whereof is hereby acknowledged transfer all (100%) the shares in the Ship above particularly described, and in her boats and appurtenances, to the said Transferees.

Further, we, the said Transferors for ourselves and our successors covenant with the said Transferees and their assigns, that we have power to transfer in manner aforesaid the premises hereinbefore expressed to be transferred, and that the same are free from all encumbrances, mortgages and maritime liens or any other debts or claims whatsoever.

In witness whereof we have hereunto executed this Bill of Sale on **20 MARCH 2019**.

For **RUIS (HK) MARINE CO., LIMITED**

By: _____

Nat: _____

Note:- A purchaser of a registered British Vessel does not obtain a complete title until the Bill of Sale has been recorded at the Port of Registry of the ship; and neglect of this precaution may entail serious consequences.

Note:- Registered Owners or Mortgagees are reminded of the importance of keeping the Registrar of British Ships informed of any change of residence on their part. Sec. F. 2058 (Oct. 1971)

Source: The Panel.

Previous Panel investigations into vessel identity laundering indicated that Fujian Yihe was associated with at least three vessel identity laundering operations, resulting in the freeing up of the AIS digital profiles of the laundered vessels, thereby allowing the direct delivery vessels NEW KONK (IMO: 9036387) and SUBBLIC (IMO: 8126082) to swap into these vacated AIS profiles. Direct delivery vessels could then sail as ‘clean’ ships.

⁶⁹ S/2020/151, paras. 36-37 and annex 9.

MOUSON 328⁷⁰

In the first case, then Panama-flagged MOUSON 328 was moored at Fujian Yihe in the second half of 2019 where it underwent some modification, including repainting (see figure 39b-2). The vessel then sailed out of the shipyard as a newly built vessel, CHERRY 19, and was subsequently entered under Thailand's ship registry on a fraudulent basis as SMOOTH SEA 29 (IMO: 9896945). Thailand has stated it was re-examining the registration of SMOOTH SEA 29⁷¹ on the basis of suspected fraud.

Figure 39b-2: MOUSON 328 re-painted at Fujian Yihe, September / October 2019



Source: Google Earth, annotated by the Panel. Coordinates: 26°50'28"N, 119°41'20"E.

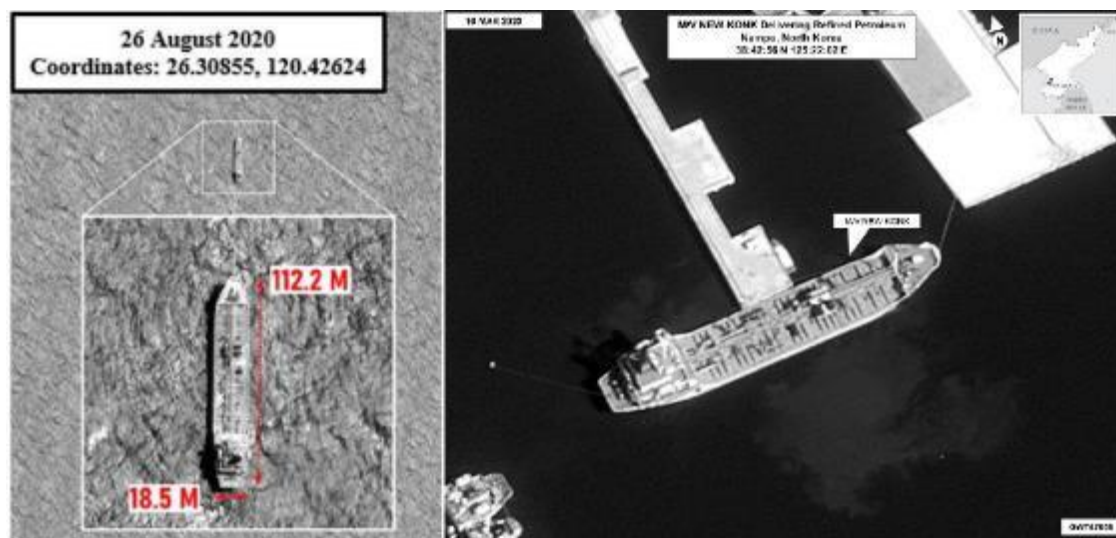
High-resolution satellite imagery showed a vessel on 26 August 2020 transmitting on the MOUSON 328's historical Palau-associated MMSI 511444000, matching the dimensions and features of the NEW KONK (IMO: 9036387) (see figure 39b-3).

Sailing on another identifier as a 'clean' vessel enabled the NEW KONK to obtain refined petroleum through ship-to-ship transfers for delivery of its cargo to the DPRK while sailing under the MOUSON 328's vacated AIS profile in 2020.

⁷⁰ S/2021/211, paras. 31-36 and annex 22.

⁷¹ S/2021/777, para. 34.

Figure 39b-3: Vessel dimensions and physical comparison of the NEW KONK transmitting as MOUSON, 26 August 2020



Source: (left) Maxar Technologies, annotated by the Panel; (right) Member State.

SUBBLIC as HAI ZHOU 168⁷²

In the second case, the then Sierra Leone-flagged HAI ZHOU 168 was moored at Fujian Yihe from September 2018 to January 2019 (see figure 39b-4).

Figure 39b-4: HAI ZHOU 168 moored at Fujian Yihe shipyard, September 2018



Source: C4ADS, Maxar Technologies.

⁷² S/2021/777, paras. 30-34 and annex 28.

Like the MOUSON 328, the HAI ZHOU 168 changed its identifiers as it departed the shipyard, updating its vessel profile to the newly built Belize-flagged CHENG XIN 1 (IMO: 9870991), a fraudulent identity. The SUBBLIC began transmitting under HAI ZHOU 168's vacated digital profile in 2020 (see figure 39b-5), where it called at DPRK ports to offload refined petroleum.

Figure 39b-5: SUBBLIC transmitting as HAI ZHOU 168, Sansha Bay, China, 26 November 2020



Source: Imagery: Planet Labs Inc.; AIS coordinates: Windward.

The vessel was subsequently entered under Thailand's ship registry as the new-built SMOOTH SEA 22. To the Panel's various queries, *inter alia*, to establish the validity of the SMOOTH SEA's actual identity (as a newly built vessel that laid keel at Fujian Yihe or as a suspected re-built vessel), Thailand responded by providing the Panel with ship dimensions of the SMOOTH SEA 28 (HAI ZHOU 168) and SMOOTH SEA 22 (see also annex 46b). The Panel has sought additional clarification questions from Thailand and is awaiting a response.

Use of second transponders aboard vessels of interest

The Panel noted an occasion in May 2020 where a vessel departed Fujian Yihe and began transmitting a similar MMSI number associated with the JIYUAN's (aka CHANG LONG) (IMO: 9044140)⁷³. The Panel investigated the JIYUAN's delivery of a luxury vehicle to the DPRK and its use of a second transponder as a sanctions' evasion tactic⁷⁴. The Panel also identified the JIYUAN's first transmission on its second AIS profile in September 2019, following its visit to a shipyard located south of Fujian Yihe⁷⁵ (see figures 39b-6 and 39b-7).

⁷³ This is a different vessel from the JIYUAN / CHANG LONG. This vessel of interest has since been broken up as of December 2021.

⁷⁴ S/2021/777, paras. 68-75 and annex 36.

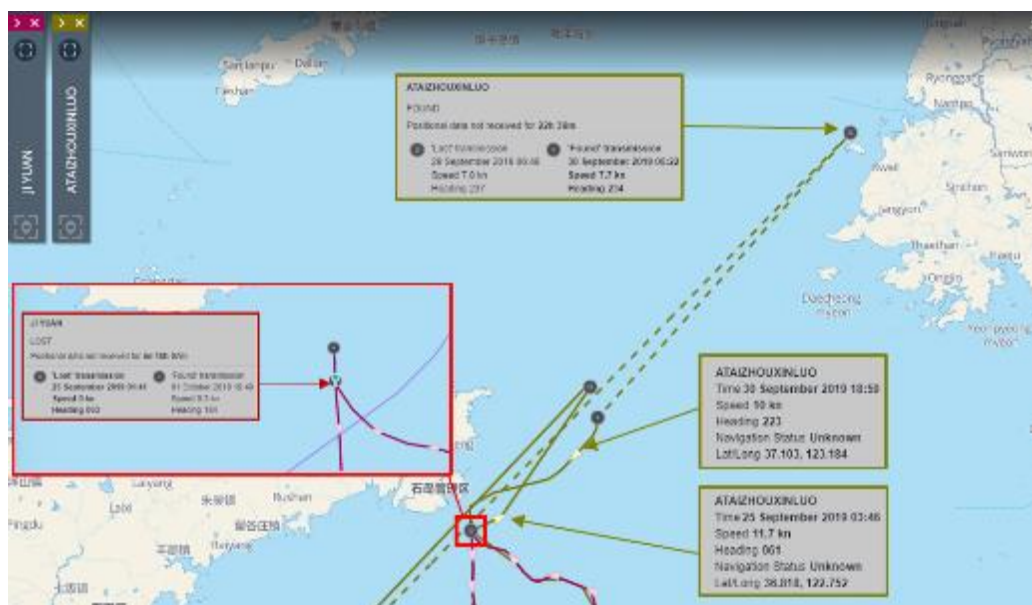
⁷⁵ Both the vessel of interest and the JIYUAN called at the shipyards along the Baima River following an ownership change and transmitted on a second transponder upon departing the shipyards.

Figure 39b-6: JI YUAN transmitting on a second AIS profile as it departed a shipyard in proximity of Fujian Yihe shipyard along the Baima River, 15 August 2019



Source: Windward, annotated by the Panel.

Figure 39b-7: JI YUAN transmitting on its second AIS profile in DPRK waters, September 2019



Source: Windward, annotated by the Panel.

The Panel made an enquiry to Fujian Yihe on the vessel of interest that departed its shipyard in May 2020. Fujian Yihe has yet to respond.

Source: The Panel.

Annex 40: Vessels of interest in Chinese waters, June to August 2021

DATE MM/DD/YYYY	VOI NAME	LAT/LONG	DATE MM/DD/YYYY	VOI NAME	VOI TYPE	POSITION	
						LAT	LONG
06/01/21	JOINT LUCK	2628N 11958E	8/2/2021	LOI HOPE	STS AV	35-49N	120-51E
06/01/21	XIN HAI	2627N 11959E	8/3/2021	HOKONG	NDDV	26-24N	120-11E
06/02/21	SUBBLIC	2456N 11926E	8/4/2021	HAI JUN	STS AV	26-18N	120-25E
06/03/21	HAI ZHOU 168	2456N 11926E	8/4/2021	INFINITE LUCK	STS AV	26-22N	120-53E
06/07/21	JOFFA	2652N 11940E	8/7/2021	OCEAN PORPOISE	STS AV	26-22N	120-10E
06/15/21	HANG YU 8	2936N 12145E	8/9/2021	FLONLINE	NDDV	28-00N	121-43E
06/17/21	XING MING YANG 888	2517N 11950E	8/12/2021	JUNE LUCK	STS AV	26-25N	120-10E
06/24/21	SHUN XIN	2628N 11959E	8/13/2021	HAI JUN	STS AV	26-18N	120-25E
7/1/2021	HANG YU 8	29-36N 121-45E	8/15/2021	HAI JUN	STS AV	26-19N	120-24E
7/1/2021	JEY HOPE	29-43N 122-34E	8/15/2021	SIN PYONG 5	DPRK-T	30-08N	122-41E
7/1/2021	JOINT LUCK	26-28N 119-58E	8/15/2021	CHAN FONG	STS AV	35-17N	120-13E
7/1/2021	SHUN XIN	26-27N 119-59E	8/15/2021	SIN PYONG 5	DPRK-T	30-18N	122-58E
7/2/2021	INFINITE LUCK	26-17N 120-55E	8/15/2021	HAI JUN	STS AV	26-19N	120-24E
7/7/2021	HAI JUN	23-09N 113-41E	8/15/2021	CHAN FONG	STS AV	35-17N	120-13E
7/9/2021	DAWN LUCK	26-19N 120-22E	8/18/2021	CHAN FONG	STS AV	35-16N	120-10E
7/9/2021	SAMBONG ARTEMIS	37-30N 120-36E	8/18/2021	HAI JUN	STS AV	25-17N	119-49E
7/11/2021	SUBBLIC	26-26N 119-56E	8/20/2021	FLONLINE	NDDV	26-25N	120-03E
7/17/2021	PU RYONG	36-49N 122-59E	8/24/2021	CHAN FONG	STS AV	35-60N	120-11E
7/20/2021	JOFFA	26-53N 119-40E	8/24/2021	DIAMOND 8	NDDV	29-37N	122-34E
7/20/2021	PAEK MA	37-05N 123-00E	8/28/2021	JOINT LUCK	STS AV	26-15N	120-40E
7/29/2021	OCEAN PORPOISE	26-50N 119-41E	8/30/2021	CHAN FONG	STS AV	35-24N	119-54E
7/31/2021	HOKONG	26-22N 120-18E	8/30/2021	CHAN FONG	STS AV	35-01N	120-50E

Source: Member State.

Legend:

STS AV: Ship-to-ship Transfer Associated Vessel

DPRK-T: DPRK-flagged Tanker

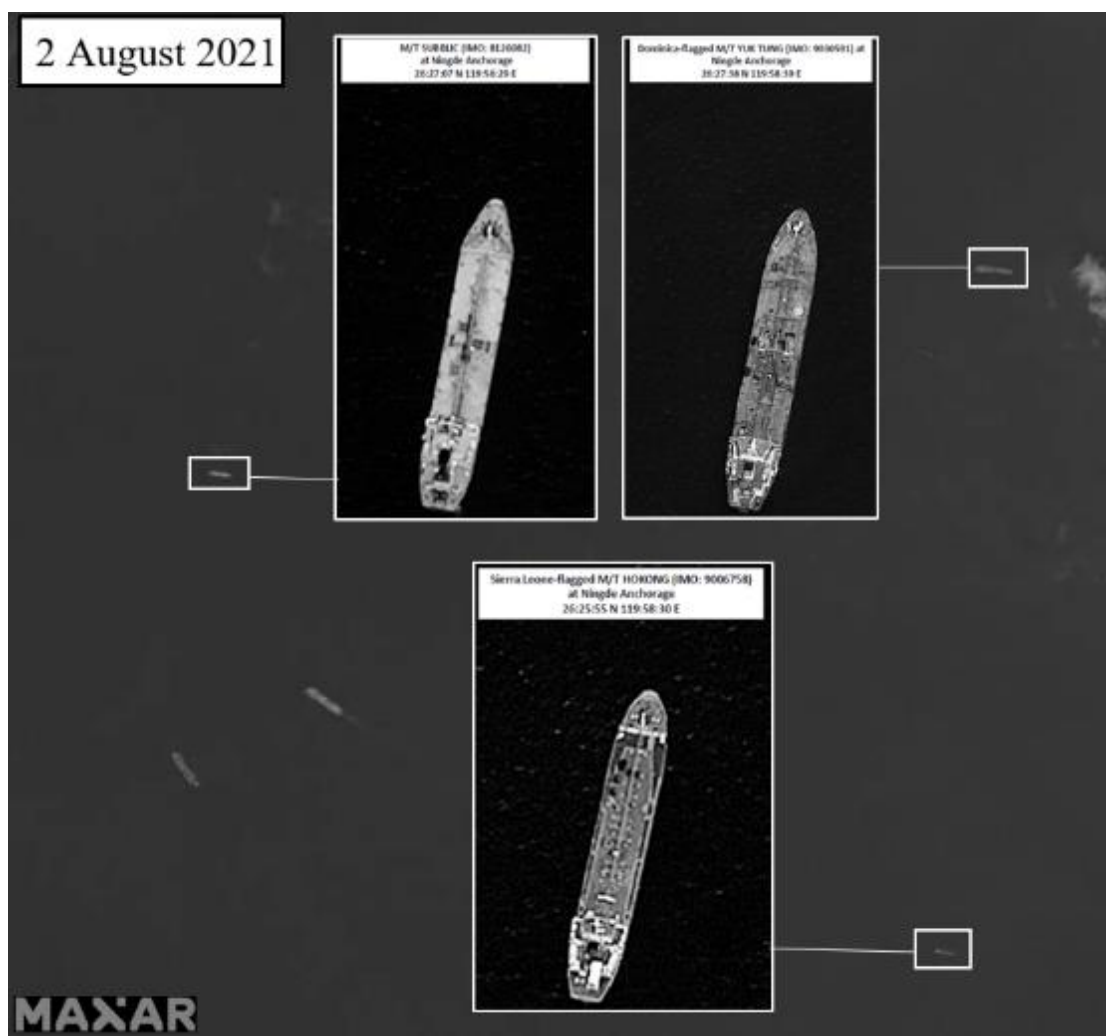
NDDV: Non-DPRK Flagged Delivery Vessel – (vessels named frequently in the Panel of Expert's reports)

The Panel shared the above list of vessels of interest with China and sought China's assistance on information it may have on the vessels' activities that would be of relevance to the Panel. China responded that *"Record of port calls in China for 44 vessels including JOINT LUCK and XIN HAI is not accessible, as no IMO information was provided."*

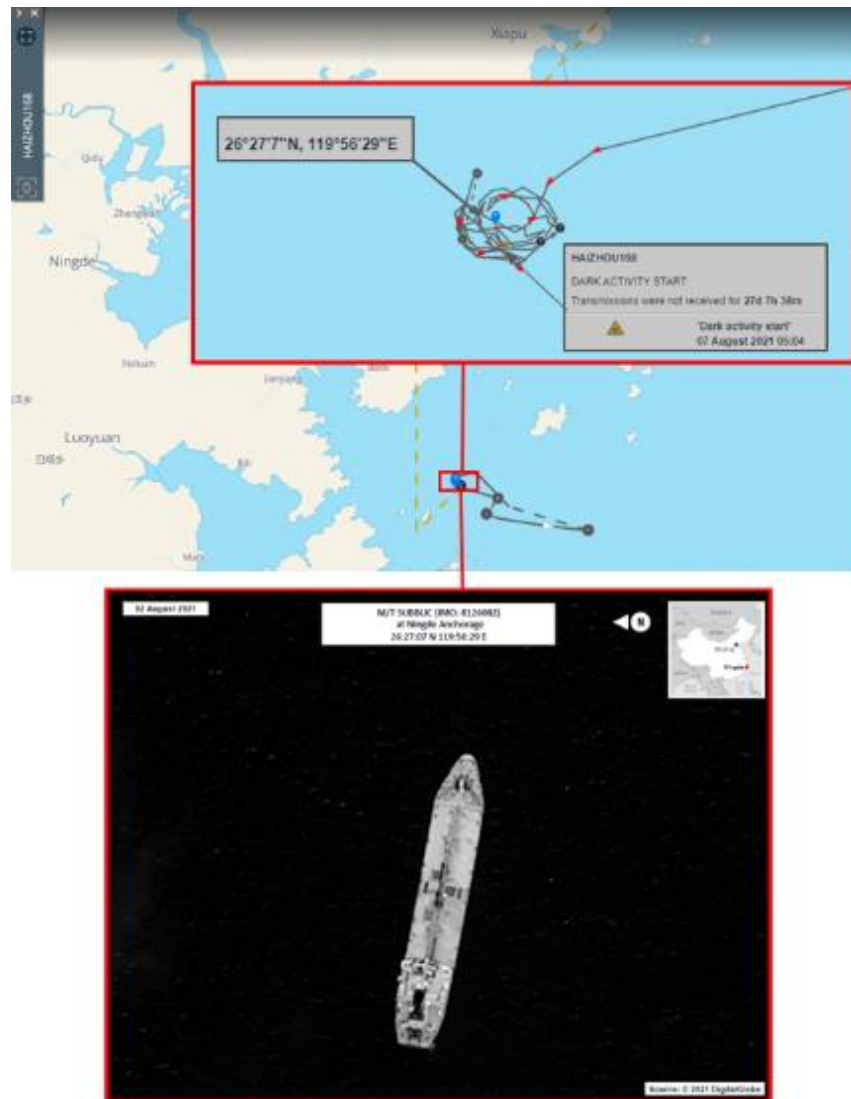
Source: The Panel.

Annex 41: Direct delivery and sanctioned vessels at Ningde anchorage, China, 30 July and 2 August 2021

The Panel's reports continue to document the activities of vessels previously recommended by the Panel for designation for sanctions violation, as well as those of designated vessels that continue to operate. Such vessels have continued to transit or anchor in Chinese territorial waters, particularly in the Sansha Bay area in Ningde. Satellite imagery showed the following vessels operating in Ningde waters: SUBBLIC (IMO: 8126082), HOKONG (IMO: 9006758) and YUK TUNG (IMO: 9030591). The SUBBLIC and HOKONG have been investigated by the Panel for sanctions violation and recommended for designation, while the YUK TUNG was earlier designated. All three vessels additionally exhibited suspicious indicators. For instance, the YUK TUNG did not appear to be transmitting on commercial maritime databases since May 2018; the HOKONG last transmitted on its registered AIS profile in September 2019 and tampered with its MMSI transmission; and the SUBBLIC transmitted on at least one laundered vessel identity profile as HAI ZHOU 168, a known laundered vessel identity profile reported by the Panel.



Source: Maxar Technologies, annotated by the Panel.

SUBBLIC transmitting as HAIZHOU 168, 2 August 2021

Source: (top) Windward, annotated by the Panel, (bottom) Member State.

HOKONGSUBBLICYUK TUNG

Source: Member State.

The Panel sought China's assistance to detain the vessels in its territorial waters to obtain the requisite vessel information that would provide information on the individuals and entities behind these vessels. China responded that "*There is no record of port calls in China for SUBBLIC, HOKONG, and YUK TUNG in 2021*".

Source: The Panel.

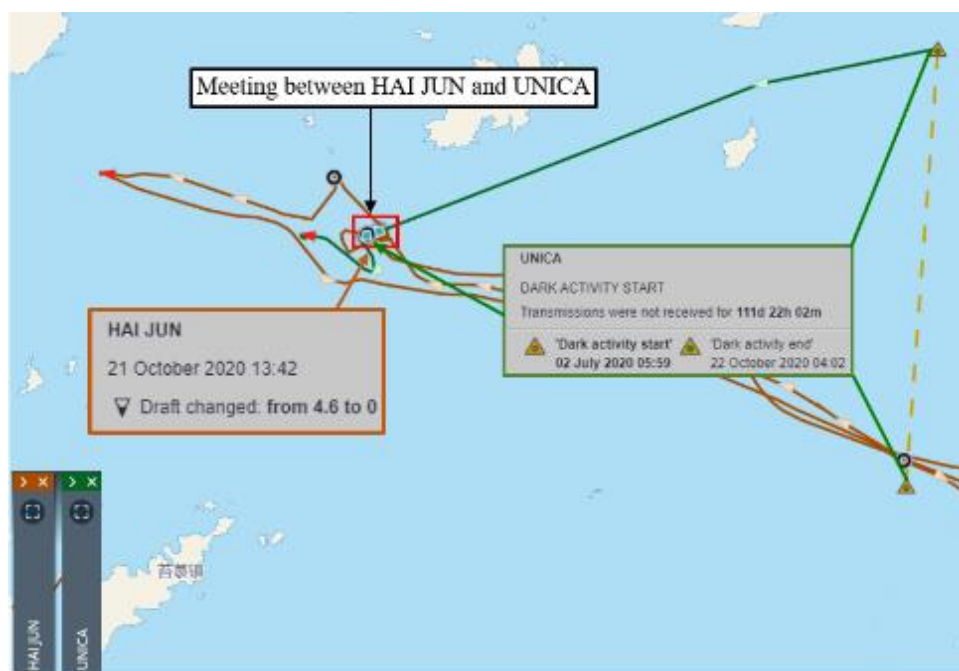
Annex 42a: HAI JUN and UNICA ship-to-ship transfers, 2020 and 2021

The HAI JUN (IMO: 9054896) is suspected to have engaged in ship-to-ship transfers from 2020 to date with vessels that transferred illicit refined petroleum to the DPRK. The HAI JUN also served as the feeder or intermediate vessel that took some of its oil from SKY VENUS and transferred them on to direct delivery vessels (see also annex 48 on SKY VENUS).

The direct delivery vessels that also conducted suspected ship-to-ship transfers with the HAI JUN included the NEW KONK (IMO: 9036387) and UNICA (IMO: 8514306). Both the NEW KONK and UNICA have been the subject of multiple reports by the Panel for transporting illicit refined petroleum to the DPRK, as well as for using fraudulent identifiers. The Panel further noted long periods of unaccounted gaps in the HAI JUN's AIS transmissions. The Panel is investigating the following⁷⁶:

- (i) HAI JUN and NEW KONK (IMO: 9036387), around 19 June 2020;
- (ii) HAI JUN and UNICA (IMO: 8514306) around 22 October 2020;
- (iii) HAI JUN and UNICA (sailing as LITON), around 30-31 August 2021;
- (iv) HAI JUN and SKY VENUS (IMO: 9168257) in August and September 2021;
- (v) HAI JUN and UNICA (sailing as HAISHUN 2), around 24-25 September 2021

HAI JUN with UNICA, Sansha Bay area, October 2020



Source: Windward, annotated by the Panel.

⁷⁶ AIS transmissions or satellite imagery.

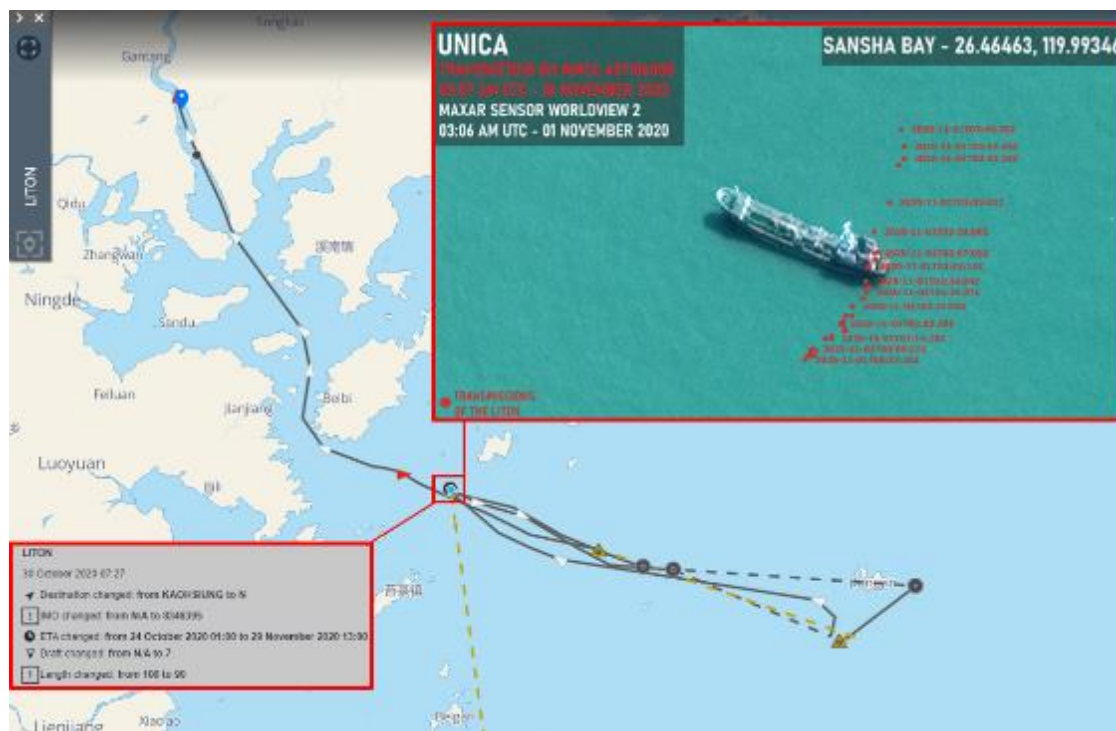
HAI JUN registered draft changes during this period, indicating its oil cargo was offloaded with the UNICA (transmitting as LITON), August 2021



Source: Windward, annotated by the Panel.

AIS transmission capture showed the UNICA stopped transmitting on its AIS identity (MMIS: 667001252) on 30 October 2020 following some digital manipulation. High-resolution imagery captured on 1 November 2020 showed the LITON transmitting where the UNICA was located (see figure 42a).

Figure 42a: UNICA transmitting as LITON, 30 October – 1 November 2020



Source: Windward, annotated by the Panel, inset imagery, Member State.

HAI JUN ship-to-ship transfers with UNICA (transmitting as HAISHUN 2)



Source: Windward, annotated by the Panel.

The HAI JUN is suspected to have conducted more ship-to-ship transfers with direct delivery vessels transmitting under fraudulent identifiers. Investigations remain on-going.

Fraudulent transmissions

Both the LITON and HAISHUN 2's MMSI numbers utilized by the UNICA were Mongolia-associated during the periods of investigative interest where suspect ship-to-ship transfers were conducted with the HAI JUN. While the UNICA was transmitting as the HAISHUN 2, it was also using the call sign assigned to the LITON.

The Panel had written on the exploitation by DPRK and other suspect vessels transmitting on MMSI numbers associated with third countries that affect many flag registries⁷⁷. To ensure that flag registries' MMSI numbers are not fraudulently used, the Panel encourages all flag registries possess the requisite tools available to identify and investigate suspected fraudulent use of MMSI numbers, and where it is detected, to share the results of its investigation including with the Panel.

⁷⁷ S/2021/777, paras. 42-47 and 53-54 and annex 34.

The Panel sought Mongolia's assistance on its investigations into the MMSIs fraudulently used by the UNICA. Mongolia has yet to respond.

Owners and entities

The Hong Kong-incorporated Ruicheng (HK) Shipping Co Ltd (瑞程(香港)海運有限公司) (hereafter "Ruicheng Shipping") is registered as the owner and ship manager of the HAI JUN, with another Hong Kong-incorporated entity Guifeng International Trade Co Ltd (貴豐國際貿易有限公司) (hereafter "Guifeng International") as the vessel's Document of Compliance company / operator. Ruicheng Shipping bought the vessel in April 2018 (see annex 42b)

The Panel further notes that the LITON's owner and operator, Hong Kong incorporated Li Tong International Trade Co, lists the same address⁷⁸ belonging to Hong Kong-incorporated Guifeng International, the Document of Compliance company holder of HAI JUN since December 2019⁷⁹. This same address is also used by a Corporate Secretary entity that also served as agent for New Konk International Company Limited (新康海洋國際有限公司), the registered owner of the direct delivery vessel NEW KONK, as well as for Hongxin International Ship Management Co., Limited (鴻信國際船舶管理有限公司), the registered owner of the direct delivery vessel VIFINE (IMO: 9045962), now sailing as DPRK-flagged UN HUNG. Hongxin International and New Konk Ocean International also shared the same previous registered owner, ship manager and operator, All Sefety International Trading Co Ltd (全安海洋國際貿易有限公司), before their respective new ownerships in May 2019 (see also annex 38).

Responses:

The Panel wrote to Mongolia, Cook Islands as well as the relevant entities that own and operated the vessels.

Mongolia has yet to respond.

Cook Islands provided the requested documentation and assisted the Panel in its further enquiries. It also confirmed the HAI JUN's deletion from its ship registry on 1 December 2021 due to the vessel's onward sale (see annex 42c).

The Panel wrote to the HAI JUN's registered owning company, Ruicheng Shipping, via its Document of Compliance holder entity, Guifeng International, seeking information, *inter alia*, on the nature of the company's business(es), details of the ship-to-ship transfers conducted with the direct delivery vessels identified by the Panel, the full chain of custody of the oil cargo transfers, the identifiers of the vessels, along with information, financial transactions and payments of the concerned counterparties. The owner of Ruicheng Shipping instead chose to address the Panel via the ship registry, stating that the HAI JUN "... has not engaged in any illegal operation or had any dealings with all the ships involved in the

⁷⁸ Room 502C, 5th Floor, Ho King Commercial Building, Fa Yuen Street, Mong Kok, Kowloon, Hong Kong, China.

⁷⁹ IHS Markit.

DPRK”. Ruicheng Shipping also stated that the vessel’s “GMDSS-related equipment ... is poor and often malfunctioned”, but due to the COVID-19 pandemic, “... the company was unable to arrange for maintenance personnel to board the ship in time to assist with repairs, resulting in intermittent signals.” “... in order to save operating costs, the vessel often stops supplying power during non-operating conditions.” (see annex 42d)

The Panel has assessed that vessel tracking information would have indicated that HAI JUN would have stopped transmissions including the times it was sailing, including in open waters. The Panel further notes that the ‘GMDSS-related equipment’ malfunction or shut down the ship’s power supply, according to Ruicheng Shipping’s explanations coincided with the material times of investigative interests to the Panel.

In response to the Panel’s request for the HAI JUN’s Protection and Indemnity insurance coverage, the Panel was informed that “The insurance expired on the 04th December 2020 and the vessel has had no work since due to the COVID pandemic. The vessel has been out of work since the pandemic and the owners did not renew the insurance due to this” (see annex 42e). The Panel notes that commercially available AIS tracking data however showed the HAI JUN continued to sail and trade. Documentation also indicated the HAI JUN’s certificate of Classification and Document of Compliance holder certificate were both stamped as ‘overdue’.

Source: The Panel.

Annex 42b: Bill of Sale for HAI JUN (IMO: 9054896)

Transferred to the Commission
of Customs & Trade with the
Consent of the Secretary of State
for Trade and Industry

Form No. 108

X.B. 79A

BILL OF SALE (Body Corporate)

IMO Number / Official Number	Name of Ship	built year and port of registry	Whether a sailing, steam or motor ship	Horse power of engines (if any)
9054896 / 132924	MITOYO MARU	1992 Matsuyama, Ehime	MOTOR SHIP	2,941 KW
Length (Article 200)		Meters	Feet	Number of Tons
		98	03	
Breadth (Regulation 200)		Meters	Feet	Grass
		15	20	Net
Depth (Regulation 200)		Meters	Feet	2,871.00
		7	59	N/A

and as described in more detail in the Register Book.

We, (a) MITSUHAM KISEN KABUSHIKI KAISHA of Japan (hereinafter called "the Transferors") having its registered address at 7-10, Harakawa 2-chome, Matsuyama City, Ehime Pref., Japan, in consideration of the sum of USD [REDACTED] paid to us by (b) RUICHENG (HK) SHIPPING CO., LTD. of Flat 01A1, 10F Carnival Commercial Building, 18 Java Road, North Point, Hong Kong (hereinafter called "the Transferee(s)") the receipt whereof is hereby acknowledged, transfer all (100%) shares in the Ship above particularly described, and in her boats and appurtenances, to the said Transferee(s).

Further, we, the Transferors for ourselves and our successors covenant with the said Transferee(s) and (c) their assigns, that we have power to transfer in manner aforesaid the premises hereinbefore expressed to be transferred, and that the same are free from (d) all encumbrances, mortgages, maritime liens, taxes or any other debts or claims whatsoever.

In witness whereof we have executed and delivered this Bill of Sale as a deed on the 2nd day of April in 2018.

MITSUHAM KISEN KABUSHIKI KAISHA

Source: The Panel.

Annex 42c: Deletion certificate of HAI JUN from Cook Islands Ship Registry

	COOK ISLANDS SHIPS REGISTRY	
Deletion Certificate		
Issued under the provisions of the Cook Islands Ship Registration Act 2007 under the authority of the Government of COOK ISLANDS By THE REGISTRAR OF SHIPS		
Certificate Number	C-DEL-139	
Ship Particulars		
Name of Ship	HAI JUN	
Type of Ship	Tanker: Product	
Official number	2822	
Distinctive Numbers or Letters	ESU3713	
IMO number	9054896	
Gross Tonnage	2871	
Port of Registry	Avatiu	
Details of Owners (at Time of Deletion)		
Full name of owner	RUICHENG(HK) SHIPPING CO. LIMITED	
Address	Flat 01A1, 10F Carnival Comm Bldg, 18 Java Rd North Point, , Hong Kong	
Registered Owner IMO Number	6041531	
% of Shares	100	
Details of Charterers (at Time of Deletion)		
THIS IS TO CERTIFY THAT REGISTRATION OF THE ABOVE NAMED SHIP WAS CLOSED FREE OF ANY REGISTERED ENCUMBRANCES ON		
	COOK ISLANDS SHIPS REGISTRY	
Date of issue of Certificate		
1 Dec 2021		
Place of Issue of Certificate		
Singapore		
		
SIGNATURE		
		

Source: The Panel.

Annex 42d: Responses provided by Ruicheng Shipping

About the Operation of MV "HAI JUN" Vessel

Dear COOK ISLANDS&THE UNITED NATIONS:

The MV "HAI JUN" vessel belonging to our company has been operating in the Taiwan Strait since July-October 2020, when it finished anchoring at Dongyin Island off Ningde, and has not engaged in any illegal operation or had any dealings with all the ships involved in the DPRK. Regarding the situation that the signal of GMDSS related equipment of "HAI JUN" vessel appeared in Malaysia for a short period of time, we believe that it may be caused by other vessels using the GMDSS related equipment of the vessel or the signal jumping to Malaysia for a short period of time due to equipment failure, and we attach the relevant pictures and recent photos of the vessel as a basis for reference.

Hereby certified!


RUICHENG (H K) SHIPPING CO., LIMITED

December 06, 2021

About the MV "HAIJUN" Vessel GMDSS Related Equipment**Signal Instability****Dear COOK ISLANDS&THE UNITED NATIONS:**

The MV "HAI JUN", which belongs to our company, has not been maintained for a long time since June 2020, and the GMDSS-related equipment of the vessel is poor and often malfunctioned. Affected by the COVID-19 epidemic, the company was unable to arrange for maintenance personnel to board the ship in time to assist with repairs, resulting in intermittent signals from GMDSS-related equipment. Due to the COVID-19 epidemic, the business can only be maintained with difficulty, and it is difficult to create profit. In this context, in order to save operating costs, the vessel often stops supplying power during non-operating conditions. Due to the combined effect of these two reasons, the signal of the GMDSS-related equipment of the ship often disappears for a long time or intermittently.



Hereby certified!

RUICHENG (H K) SHIPPING CO., LIMITED

December 06, 2021

Source: The Panel.

Annex 42e: Excerpt of HAI JUN's Protection and Indemnity Insurance expiration, 4 December 2020

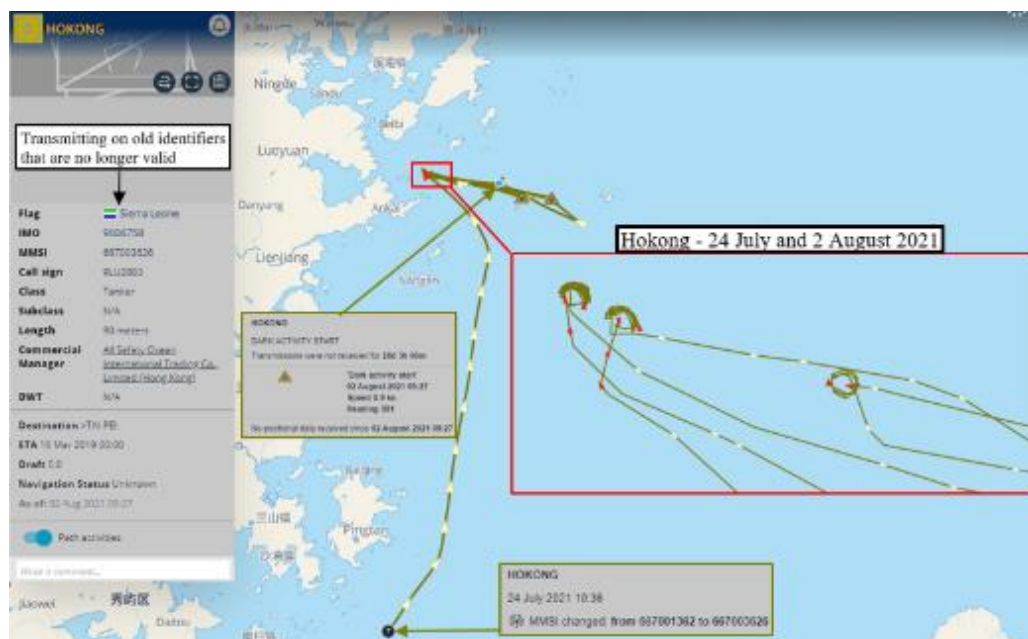
7) Copy of the vessel's Protection and Indemnity Insurance													
<p>The insurance expired on the 04th December 2020 and the vessel has had no work since due to the COVID pandemic. The vessel has been out of work since the pandemic and the owners did not renew the insurance due to this.</p>													
<div style="display: flex; justify-content: space-around; align-items: center;">  <div> <h3>Blue Card</h3> </div> </div>													
NOT TRANSFERABLE	BC Certificate No.: AE-OW-19-02-010196												
<p>To: Administrative Officer Maritime Cook Islands P.O. Box 882, Avarua, Rarotonga, Cook Islands.</p> <div style="background-color: black; height: 20px; width: 300px; margin: 5px 0;"></div>													
<p>CERTIFICATE FURNISHED AS EVIDENCE OF INSURANCE PURSUANT TO ARTICLE 7 OF THE INTERNATIONAL CONVENTION ON CIVIL LIABILITY FOR BUNKER OIL POLLUTION DAMAGE, 2001</p>													
<p>THIS IS TO CERTIFY that there is in force in respect of the above-named ship while in the above ownership a policy of insurance satisfying the requirements of Article 7 of the International Convention on Civil Liability for Bunker Oil Pollution Damage, 2001.</p>													
Assured Name and Address:	<p>RUICHENG (HK) SHIPPING CO., LIMITED as the Owner FLAT 01A1, 10/F CARNIVAL COMM BLDG, 18 JAVA RD NORTH POINT, HONG KONG</p>												
Insurer Name and Address:	<p>THE ANGLO & EASTERN SHIP OWNERS P&I CLUB LIMITED SEA MEADOW HOUSE, BLACKBURNE HIGHWAY, (P.O.BOX 116), ROAD TOWN, TORTOLA, BRITISH VIRGIN ISLANDS</p>												
Object Details:	<table border="0"> <tr> <td>Ship Name:</td> <td>HAI JUN</td> <td>IMO No.:</td> <td>9054896</td> </tr> <tr> <td>Ship Flag:</td> <td>COOK ISLANDS</td> <td>Port of Registry:</td> <td>AVATIU</td> </tr> <tr> <td>Distinctive Number or Letters:</td> <td colspan="3">E5U3713</td> </tr> </table>	Ship Name:	HAI JUN	IMO No.:	9054896	Ship Flag:	COOK ISLANDS	Port of Registry:	AVATIU	Distinctive Number or Letters:	E5U3713		
Ship Name:	HAI JUN	IMO No.:	9054896										
Ship Flag:	COOK ISLANDS	Port of Registry:	AVATIU										
Distinctive Number or Letters:	E5U3713												
Period of Insurance:	From 12 hrs. GMT 04 th December, 2019 to 12 hrs. GMT 04 th December, 2020												
<p>Provided always that the insurer may cancel this Certificate by giving three months written notice to the above Authority whereupon the liability of the insurer hereunder shall cease as from the date of expiry of the said period of notice but only as regards incidents arising thereafter</p>													
<p>The Anglo & Eastern Club Management Limited Signature Authorized by The Anglo & Eastern Ship Owners P&I Club Limited:</p> <div style="text-align: center;">  </div>													

Source: The Panel.

Annex 43: Direct delivery vessel HOKONG (IMO: 9006758)

The Panel tracked the direct delivery vessel HOKONG when it retransmitted on its AIS identity in late July 2021 in Ningde waters (see figure 43):

Figure 43: HOKONG retransmitting on its old identifiers, July-August 2021, China



Source: Windward, annotated by the Panel.

While the HOKONG was last observed in the same waters on 2 August 2021, a Chinese media article dated 3 November 2021⁸⁰ reported that the HOKONG was at a Chinese shipyard being demolished by November. Maritime authorities in Fujian Province were reported to be investigating the HOKONG based on domestic law concerning the scrap of a foreign vessel as constituting an importation of solid waste. A smuggling group headed by an individual named ‘Wang’ was alleged to have been involved in the smuggling of foreign ships of unknown origin for scrap. Satellite imagery of the vessel obtained by the Panel indicated the vessel was docked at a shipyard in Lianjiang County, Fujian Province, China, where the HOKONG was observed still in a partial stage of demolition.

In view of the vessel’s seizure, the Panel asked China for information on individuals and entities operating the HOKONG as well any material obtained from its authorities’ investigations relevant to the Panel’s mandate.

China responded that “*There is no record of port calls in China for ... HOKONG ... in 2021*”.

Source: The Panel.

⁸⁰ <https://cn.chinadaily.com.cn/a/202111/03/WS618221afa3107be49791641c.html>

Annex 44: Evasion methods⁸¹*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 destinations⁸². 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 the DPRK's waters and re-transmit once back in external waters. To obscure the DPRK connection, complicit actors also falsify shipping documentation to conceal the 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 activity⁸³. Some formerly foreign-flagged vessels have been reported to join the DPRK's fleet. In a number of cases, 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 observed⁸⁴ 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.

⁸¹ S/2020/840, annex 17, with updates.

⁸² Panel investigations and data on commercial maritime platforms.

⁸³ Ibid.

⁸⁴ Ibid.

Owners, operators and managers

5. The Panel's investigations demonstrate the DPRK continues to deceive and leverage shipping companies, corporate registration services, entities and individuals across multiple jurisdictions to facilitate its activities.
6. Complicit actors have been known not to 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.

Annex 45a: Examples of physical tampering of identity by DPRK vessels, September 2021

The Panel has documented over consecutive reports⁸⁵ the various techniques used by DPRK as well as suspect vessels to obscure their physical identity. Such physical obfuscation that are easily observable for those engaged in ship-to-ship transfers with such vessels, should serve as red-flag indicators and indicate the complicity of those engaged in such transfers.



⁸⁵ S/2019/171, annex 13, S/2019/691, para. 13, and S/2021/211, paras. 37-39.



Source: Member State.

Vessel	Technical measures - AIS name	Technical measures - Other	Physical measures	Attempt to conceal or deceive
AN SAN 1	AS	Almost certainly disables AIS for portions of transit	Only AIS on bow, stern and bridge	Almost certain
CHAY FONG	REYNARD	Almost certainly disables AIS for portions of transit		Almost certain
DAWN LUCK	DAWN LUCK@P@R@D@P@R@D			Unlikely
DIAOWO 8	JIN SHI MO	Almost certainly disables AIS for portions of transit		Almost certain
HOROWO		Almost certainly disables AIS for portions of transit		Almost certain
HOROWO LUCK		Almost certainly disables AIS for portions of transit		Almost certain
JOTA	JOE TA			Unlikely
JOINT LUCK	JOINT LUCK, LKJ27	Identifying as "fishing" vessel, not "tanker"		Almost certain
LUX HOPE	P HOPE			Unlikely
MEGA PRINCESS	PRINCESS I			Likely
POWER EAST	330213543 (only second AIS entry)	Simultaneous use of two AIS identities, one "tanker" and one "fishing"		Unlikely
RU REN	HEWEN			Likely
TAICHA		Almost certainly disables AIS for portions of transit		Almost certain
PU FUYANG		Almost certainly disables AIS for portions of transit		Almost certain
YUE SONG GANG 1		Almost certainly disables AIS for portions of transit	ISS on bridge, no identifiers on bow or stern	Almost certain
QILIN REN		Almost certainly disables AIS for portions of transit		Almost certain
SHI PINGG 1	SHI PINGG@SHI PINGG	Almost certainly disables AIS for portions of transit		Almost certain
SHI PINGG 3	SHI PINGG@SHI PINGG	Almost certainly disables AIS for portions of transit	AIS identifiers painted on vessel	Almost certain
SONG WEN	SW	Almost certainly disables AIS for portions of transit	SW on funnel, SONG WEN on bridge, no identifiers on bow or stern	Almost certain
SUBBLUE	HAI ZHOU 188	Almost certainly disables AIS for portions of transit		Almost certain
UNICA	LTON	Almost certainly disables AIS for portions of transit		Almost certain
WING BEING WANG 888	WU H, HAN ZHOU 188	Almost certainly disables AIS for portions of transit		Almost certain
YU JONG 2		Almost certainly disables AIS for portions of transit	Painted deck and top of bridge	Almost certain
YU SON		Almost certainly disables AIS for portions of transit		Almost certain

22-01569

Annex 46a: Vessel identity laundering of SMOOTH SEA 3 (IMO:9892262)

On-going investigations indicate the former Thailand-flagged SMOOTH SEA 3's identity was laundered, which resulted in the creation of a suspected fraudulent identity - that of the F.LONLINE. The Thailand-flagged SMOOTH SEA 30 (IMO: 9892262), a reportedly newly built vessel that was constructed at a shipyard in Ningbo, China, is suspected to be the former SMOOTH SEA 3.

Mongolia has yet to respond.

Belize has yet to respond.

Dominica has yet to respond.

Brilliant Trade has yet to respond.

Cheng Xin Shipping has yet to respond.

Source: The Panel.

Annex 46b: Thailand's response on the vessel identity laundering of SMOOTH SEA 28 / HAI ZHOU 168 / SMOOTH SEA 22

The Panel sought Thailand's assistance concerning the identity laundering of the SMOOTH SEA 28 / HAI ZHOU 168, and the SMOOTH SEA 22, the latter as suspected to be re-constructed from the SMOOTH SEA 28 and not a newly-built ship⁸⁶. The SMOOTH SEA 22's IMO number was suspected to have been obtained through fraudulent means. The Panel's investigations drew from a range of sources, including: maritime data, satellite imagery over time, primary source information and photographic comparisons. The Panel also identified entities and locations in this investigation that were similarly involved in another case of vessel identity laundering prior investigated by the Panel. The Panel assesses that the SMOOTH SEA 22 was unlikely to be a newly-built ship that laid keel at the listed shipyard in China but as a reconstructed ship from the SMOOTH SEA 28. The Panel's previous reporting and on-going investigations showed that the vacated digital profile of the SMOOTH SEA 28 / HAI ZHOU 168 had since been used by direct delivery vessels to facilitate illicit refined petroleum transfers to the DPRK.

The Panel provided information and sought a determination from the relevant authorities in Thailand to help establish the SMOOTH SEA 22's bona fide identity. Thailand responded that "The validity of the *Smooth Sea 22*'s identity was determined by a marine surveyor whose expertise and responsibilities include issuing Certificates of Survey for Thai ship registration", and it attached the "... vessel(s) *Smooth Sea 22* and *Smooth Sea 28*" dimensions (see following enclosure). The Panel continues to seek Thailand's assistance on this matter, including clarifying inconsistencies as well as pending responses to the Panel's list of queries.

The dockyard in Thailand that was involved the SMOOTH SEA 28's suspected reconstruction as the SMOOTH SEA 22, responded to the Panel that Cheng Xin Shipping was its customer that "... rented a dockyard for a short period of time". If you have any questions, please contact him directly ...". The Panel had documented the SMOOTH SEA 28's presence in the shipyard over a long period of time. The Panel further notes the dockyard was also used for the vessel identity laundering case involving the SMOOTH SEA 3 / SMOOTH SEA 30 currently investigated by the Panel. The Panel is awaiting a response to further queries from the dockyard.

The Panel continued to follow up with Cheng Xin Shipping Limited, a Hong Kong-incorporated entity with a physical 'care of' address of a dockyard in Thailand. Cheng Xin Shipping has yet to respond the Panel's letters.

Investigations continue.

Source: The Panel.

⁸⁶ S/2021/777, paras. 30-34 and annex 28.

Note Verbale from Thailand, 15 October 2021

No. 56101/640

The Permanent Mission of the Kingdom of Thailand 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 communication from Mr. Eric Penton-Voak, Coordinator of the Panel of Experts dated 4 June 2021, requesting information regarding the vessel currently sailing as the Smooth Sea 22 and Smooth Sea 28, has the honour to transmit the said information herewith for the latter's kind perusal.

The Permanent Mission of Thailand 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.

Permanent Mission of the Kingdom of Thailand
to the United Nations, New York
15 October B.E. 2564 (2021)



Panel of Experts established pursuant to Security Council Resolution 1874 (2009),
NEW YORK.

Excerpts of attachments:

**Information requested by
the Panel of Experts established pursuant to UNSC resolution 1874 (2009)
as per the Panel of Experts' Note No. S/AC.49/2021/PE/OC.183
dated 4 June 2021**

The Royal Thai Government investigated the activities involving the vessel(s) *Smooth Sea 22* and *Smooth Sea 28* and wishes to inform the Panel of Experts (POE) as follows:

1. The validity of the *Smooth Sea 22*'s identity was determined by a marine surveyor whose expertise and responsibilities include issuing Certificates of Survey for Thai ship registration.

1.1 *Smooth Sea 22*'s details are as follows:

Length Over All (L.O.A)	113.00	metres
Length Between Perpendiculars (L.B.P.)	104.00	metres
Breadth	18.00	metres
Depth	9.00	metres
Gross tonnage	2998	
Net tonnage	1920	
License number	620000791	
IMO number	9870991	
Call sign	HSB7005	
Hull material	steel	
Type of engine	Hitachi B&W	
Size	2994 kilowatt	
Type of engagement	local trade vessel	
Type of vessel	oil tanker	
Shipyard	Fujian Yihe Shipbuilding Heavy Industry Co., Ltd, China	

1.2 *Smooth Sea 28*'s details are as follows:

Length Over All (L.O.A)	113.32	metres
Length Between Perpendiculars (L.B.P.)	104.10	metres
Breadth	18.00	metres
Depth	8.00	metres
Gross Tonnage	4481	
Net Tonnage	2171	
License number	520085431	
IMO number	8514045	
Call sign	HSB4352	
Hull Material	steel	
Type of engine	Hitachi B&W	
Size	2992 kilowatt	
Type of engagement	local trade vessel	
Type of vessel	oil tanker	
Shipyard	Kurushima Dockyard, Japan	

2. In addition, relevant information from 2018 suggests that *Smooth Sea 28's* ownership was transferred to Cheng Xin Shipping Ltd. and withdrew from the Thai ship registry on 28 September 2018.



An account of *Smooth Sea 28's* presence from 2016-2018 :

Timeline	Activities
2016	- received an annual survey on 24 August 2016 and had the ship's license renewed to 23 August 2017 - 44 domestic trips between Sriracha, Chonburi - Bangkok
2017	- no information on the ship survey and the ship's license expired since 24 August 2017 - no information on the vessel's presence
2018	- received an annual survey on 28 August 2018 and had a ship's license renewed to 27 August 2018 - departed Thailand for Fujian, China on 5 September 2018 - transferred the ownership to Cheng Xin Shipping Ltd. (Address: 50 Bonham Strand, No. 5, 17/F Bonham Strand Trade Center Sheung Wan, Hong Kong) and withdrew from the Thai ship registry on 28 September 2018

3. Concerned authorities investigated the companies and found that *Smooth Sea Co., Ltd* transferred the ownership of *Smooth Sea 28* and *Smooth Sea 3* to Cheng Xin Shipping Ltd. on 28 September 2018 and 18 July 2019 respectively.

4. Relevant documentation with regards *Smooth Sea 22's* acquisition includes (1) Memorandum of Agreement between Cheng Xin Shipping Ltd. and *Smooth Sea Co., Ltd*, (2) Bill of Sale, and (3) Deletion Certificate are as attached.

BILL OF SALE (Body Corporate)

IMO Number / Official Number	Name of Ship	Year Built / Builder / Port of Registry	Whether a sailing, steam or motor ship	Horse power of engine (if any)
9870991 / 161820930 -S	CHENG XIN 1	2018 / Fujian Yihe Shipbuilding HI Co., Ltd, China / Belize City	Oil tanker	4068HP
		Meters	Centimeters	Number of Tons
Length Over All (LOA)		113	00	Gross
Breadth		18	00	2998
Depth		9	00	1920
and as described in more detail in the Certificate of the Surveyor and the Register Book.				
We, CHENG XIN SHIPPING LIMITED (hereinafter called "the Transferors") having our registered office at NO.5,17/F BONHAM TRADE CENTRE,50 BONHAM STRAND,SHEUNG WAN,HONGKONG, in consideration of the sum of USD 5,450,000/- (United States Dollars Five Million Forty Five Hundred Thousand Only) paid to us by SMOOTH SEA COMPANY LIMITED having their registered office at 924 TALOMSIN BUILDING RAMA 3 ROAD, BANGPONGPANG, YANNAWA, BANGKOK, THAILAND, (hereinafter called "the Transferees") the receipt whereof is hereby acknowledged transfer all (100%) the shares in the Ship above particularly described, and in her boats and appurtenances, to the said Transferees.				
Further, we, the said Transferors for ourselves and our successors covenant with the said Transferees and their assigns, that we have power to transfir in manner aforesaid the premises hereinbefore expressed to be transferred, and that the same are free from all encumbrances, mortgages and maritime lier or any other debts or claims whatsoever.				
In witness whereof we have hereunto executed this Bill of Sale on 20 TH DECEMBER 2018.				
By:  Name:  Title: Managing Director		NOTARY PUBLIC HONGKONG 		

Source: Member State.

Annex 47: Oil supply

Direct delivery and DPRK tankers source their refined petroleum from motherships at sea as they do not enter port. The modus operandi starts with the motherships that obtain their fuel at port. The motherships then take their petroleum cargo out to sea where it is either transferred onto DPRK tankers, or onto feeder vessels that in turn transfer the oil cargo to DPRK tankers or DPRK-linked direct delivery vessels.

Shipping documentation showed that on 16/17 March 2021 and on 2/3 April 2021, the SUNWARD purchased and loaded its oil cargo (gas oil) in two shipments at Taichung port. Taichung Port is a Free Trade Zone where oil is stored by local and foreign traders. The SUNWARD loaded two shipments, each approximated 5,000 metric tons (MT) or a total of 10,000 MT that were, according to a Member State, then transferred to DPRK tankers at sea. Both bills of lading showed that the consignee of the oil cargo loaded onto the SUNWARD was Everway Global Ltd. A Member State has assessed that Everway Global Ltd (hereafter “Everway Global”) is an entity established by Cheng Chiun Shipping Agency Co., Ltd (hereafter Cheng Chiun Shipping). Cheng Chiun Shipping in its response letter to the Panel acknowledged its association with Everway Global.

The SKY VENUS (IMO: 9168257), another vessel operated by Cheng Chiun Shipping being investigated by the Panel, also loaded refined petroleum at Taichung Port on a number of occasions. Everway Global was also listed as the consignee.


All the gas oil was sold under Free On Board (FOB) transaction from the oil terminals at port to the aforementioned vessels. In late 2020, “High Sea” was a permitted destination on bills of lading for vessels operating out of ports at Taiwan Province of China.

SK Energy assisted the Panel with documentation requested.

Source: The Panel.

Bills of Lading of refined petroleum cargo aboard the SUNWARD (IMO: 892011)

17 March 2021

CODE NAME: "CONGENBILL", EDITION 1994		BILL OF LADING B/L NO: SW/2104/001	
Shipper SK ENERGY CO., LTD.		TO BE USED WITH CHARTER PARTIES	
Consignee TO ORDER OF EVERWAY GLOBAL LTD.		COPY	
Notify address SAME AS CONSIGNEE			
Vessel SUNWARD V2104	Port loading TAICHUNG TAIWAN		
Port of discharge HIGHSEA			
Shipper's description of goods		Gross weight	
N/M		GASOIL	
		5,919.151 KL @ 15 C	
		37,250 BBL @ 60 DEG F	
		4,989.252 METRIC TON	
		4,910.452 LONG TON	
FREIGHT PAYABLE AS PER CHARTER PARTY			
CLEAN ON BOARD			
17 TH MAR., 2021			
(of which on deck at Shipper's risk; the Carrier not being responsible for loss or damage however arising)			
Freight payable as per CHARTER PARTY dated FREIGHT ADVANCE Received on account of freight Time used for loading days hours.		SHIPPED at the Port of Loading in apparent good order and condition on board the Vessel for carriage to the Port of Discharge or to near thereto as the may satisfy the goods specified above. Weight, measure, quality, quantity, condition, contents and value unknown. IN WITNESS whereof the Master or Agent of the said Vessel has signed the number of Bills of Lading indicated below all of this tenor and date, any one of which being accomplished the others shall be void. FOR CONDITIONS OF CARRIAGE SEE OVERLEAF	
Freight payable at Number of original B/L THREE(3)		Place and date of issue TAICHUNG TAIWAN 17TH MAR 2021 Signature  NAUTICAL SEA SHIPPING CO. LTD. ON BEHALF OF MASTER OF MV SUNWARD CAPTAIN MING CHEN	

3 April 2021

CODE NAME: "CONGENBILL", EDITION 1994		BILL OF LADING B/L NO: SW2105001	
Shipper SK ENERGY CO., LTD.		TO BE USED WITH CHARTER PARTIES	
Consignee TO ORDER OF EVERWAY GLOBAL LTD.			
Notify address SAME AS CONSIGNEE			
Vessel SUNWARD V2105	Port loading TAICHUNG, TAIWAN		
Port of discharge HIGHSEA			
Shipper's description of goods		Gross weight	
N/M		GASOIL	
		5,410.412 KL @ 15 C	
		34,048 BBL @ 60 DEG F	
		4,553.403 METRIC TON	
		4,481.487 LONG TON	
FREIGHT PAYABLE AS PER CHARTER PARTY CLEAN ON BOARD 3 TH APR., 2021			
ORIGINAL			
(if which on date at Shipper's risk the Carrier not being responsible for loss or damage to wares or things)			
Freight payable as per CHARTER PARTY dated FREIGHT ADVANCE Received on account of freight Time used for loading days hours		SHIPPED at the Port of Loading in apparent good order and condition on board the Vessel for carriage to the Port of Discharge or so near thereto as she may safely get the goods specified above. Weight, measure, quality, quantity, condition, contents and value unknown. IN WITNESS whereof the Master or Agent of the said Vessel has signed the number of Bills of Lading indicated below all of this tenor and date, any one of which being accomplished the others shall be void. FOR CONDITIONS OF CARRIAGE SEE OVERLEAF	
Freight payable at Number of original B/L THREE(3)		Place and date of issue TAICHUNG TAIWAN 3TH APR 2021 Signature  NAUTICAL SEASHIPING CO., LTD. ON BEHALF OF MASTER OF M/V SUNWARD CAPT. YIN MAUNG THEIN	

Source: Member State.

Annex 48: Facilitators

Investigations into Cheng Chiun Shipping Agency Co., Ltd (程群船務代理有限公司) (hereafter “Cheng Chiun Shipping”) showed the use of motherships, direct delivery vessels, and feeder vessels that also typify other suspect refined petroleum transfers the Panel previously investigated. The motherships are typically larger tankers that load refined petroleum cargo at port or port areas. These ships take their cargo out where fuel is ultimately offloaded at ports in the DPRK. This happens in a number of ways: the mothership transfers its oil cargo to direct delivery vessels who transmit under fraudulent identifiers, given their known history of sanctions violation. The direct delivery vessels in turn then conduct ship-to-ship transfers with DPRK tankers in other waters. Alternatively, the mothership transfers to a feeder or intermediary vessel, which in turn transfers its oil cargo to smaller unidentified tankers that then conduct ship-to-ship transfers with DPRK tankers or with direct delivery vessels. The latter then transfers the oil to DPRK tankers that offload the refined petroleum at its home ports. In other words, illicit refined petroleum procured by the DPRK is transferred in a multi-staged and layered manner that seeks to evade easy detection. A Member State has assessed that Cheng Chiun Shipping was aware of the sanctions’ evasion activity conducted and attempted to cover up their activities.

Case examples

SUNWARD⁸⁷:

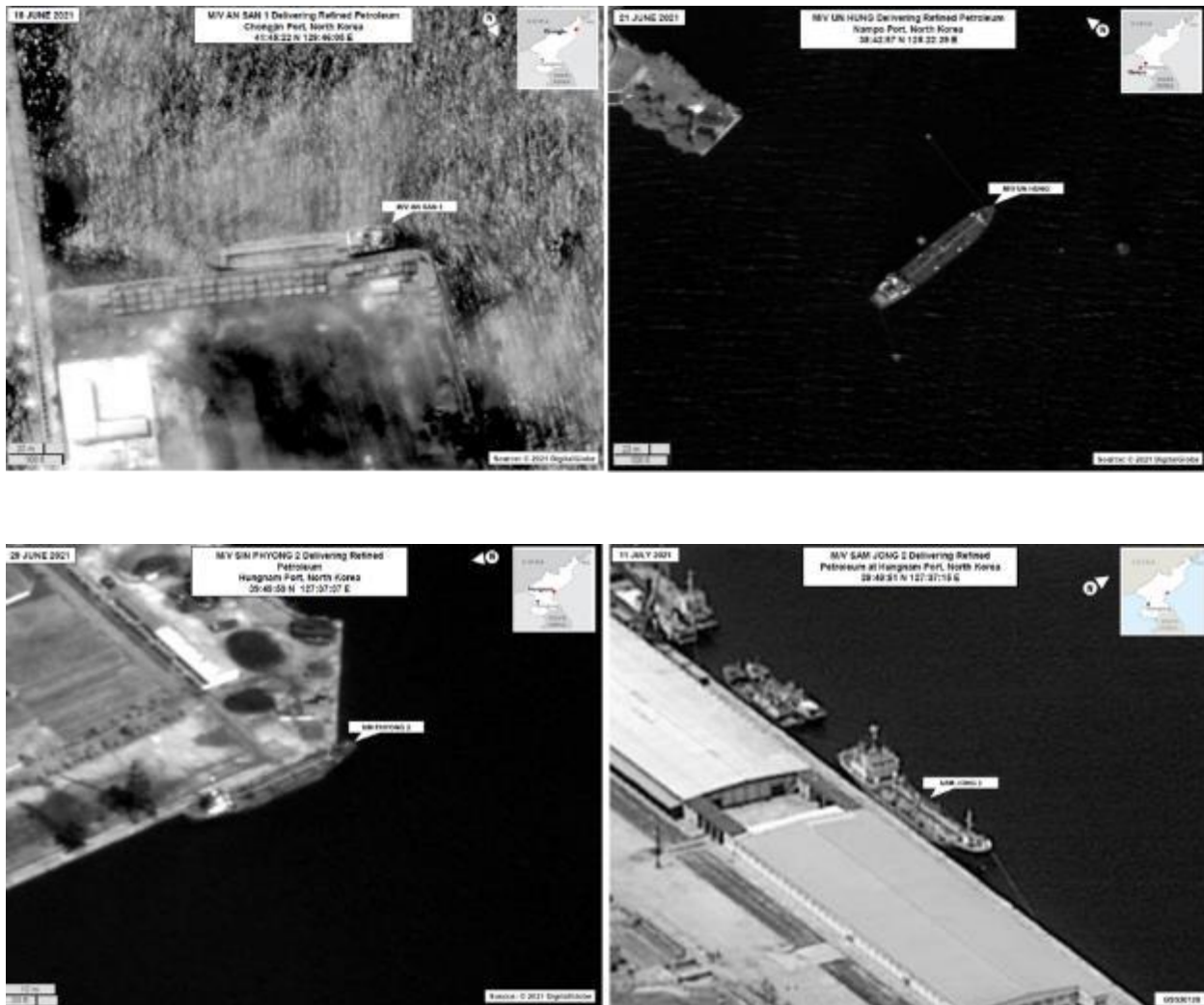
The then Panama-flagged tanker SUNWARD delivered refined petroleum in at least four transfers to DPRK-flagged tankers in March and in April 2021 (the material time), based on Member State information. The SUNWARD’s oil cargo transfers included:

- (i) Ship-to-ship transfer on or around 30 and 31 March 2021 to DPRK-flagged SIN PHYONG 2 (IMO: 8817007);
- (ii) Ship-to-ship transfer on or around 31 March and 1 April 2021 to DPRK-flagged AN SAN 1 (IMO: 7303803);
- (iii) Ship-to-ship transfer on or around 6 and 7 April 2021 to DPRK-flagged UN HUNG (IMO: 9045962);
- (iv) Ship-to-ship transfer on or around 7 and 8 April 2021 to the DPRK-flagged SAM JONG 2 (IMO: 7408873).

The SIN PHYONG 2, AN SAN, UN HUNG and SAM JONG 2 have all been featured in previous Panel reports for illicitly delivering refined petroleum to the DPRK. After receiving refined petroleum from the SUNWARD, the three tankers were all observed offloading their cargo at various DPRK ports (see figure 48-1):

⁸⁷ Maritime database tracking showed the SUNWARD traveled to Chittagong, Bangladesh by early June 2021. The vessel is presently listed as broken up.

Figure 48-1: DPRK vessels involved in ship-to-ship transfers with the SUNWARD delivering refined petroleum, DPRK



Source: Member State.

SKY VENUS

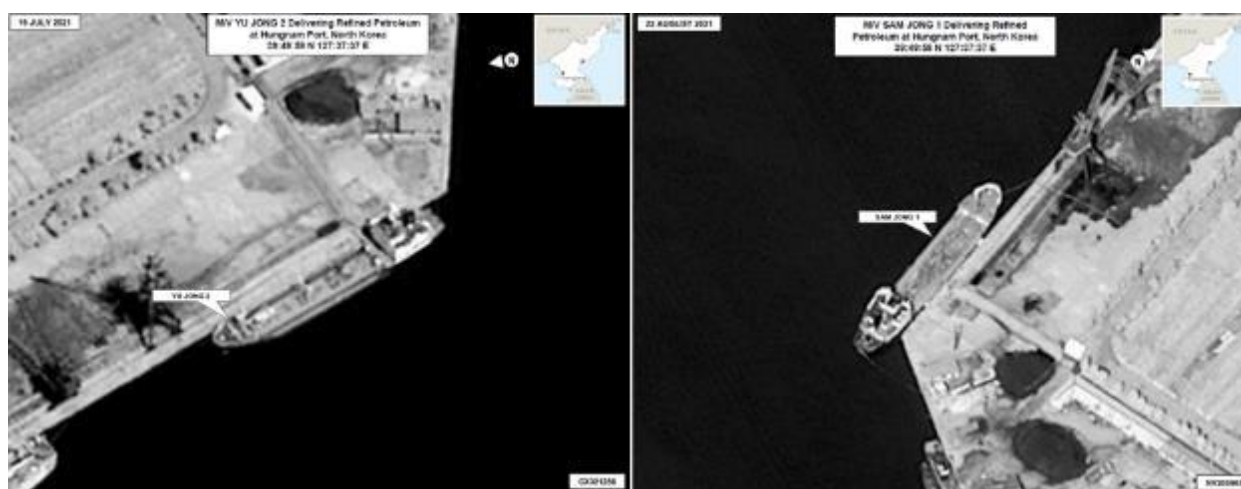
The Palau-flagged tanker SKY VENUS (IMO: 9168257) is suspected to have delivered refined petroleum in at least six transfers to DPRK-flagged tankers via multiple ship transfers in May and in August 2021 (the material time). The SKY VENUS' oil cargo transfers included:

- (i) Ship-to-ship transfer on or around 14 May 2021 to a vessel, which in turn transferred the oil cargo to DPRK-flagged YU JONG 2 (IMO: 8604917);
- (ii) Ship-to-ship transfer on or around 17 May 2021 to a vessel, which in turn transferred the oil cargo to DPRK-flagged SAM JONG 1 (IMO: 8405311);
- (iii) Ship-to-ship transfer on or around 28 May 2021 to a vessel, which in turn transferred the oil cargo to DPRK-flagged SAM JONG 1;
- (iv) Ship-to-ship transfer on or around 8 August 2021 to a vessel, which in turn transferred the oil cargo to DPRK-flagged SIN PHYONG 5 (IMO: 8865121);
- (v) Ship-to-ship transfer on or around 9 August 2021 to a vessel, which in turn transferred the oil cargo to DPRK-flagged SIN PHYONG 5;
- (vi) Ship-to-ship transfer on or around 10 August 2021 to a vessel, which in turn transferred the oil cargo to DPRK-flagged SIN PHYONG 5.

Commercial AIS data showed the SKY VENUS was at Taichung port / port waiting area during the material time, a location where the SUNWARD had also loaded oil.

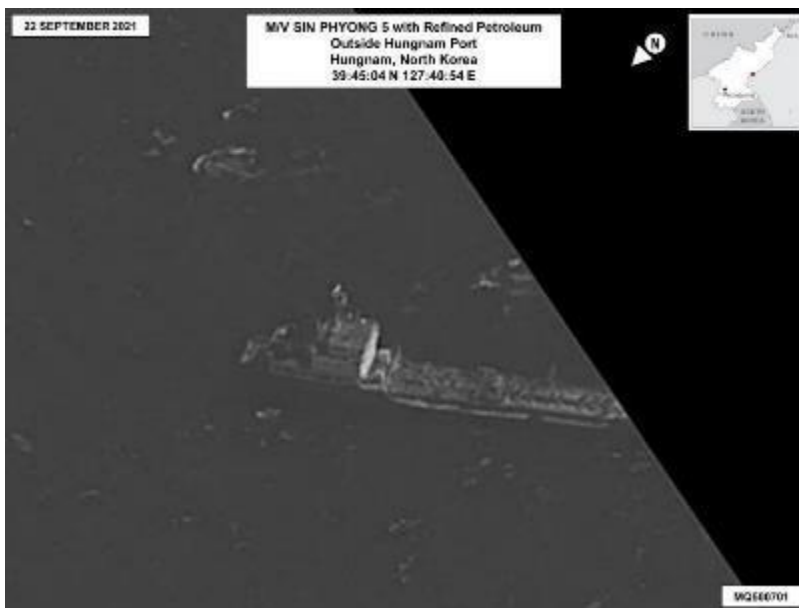
YU JONG 2, SAM JONG 1 and SIN PHYONG 5 have all been featured in previous Panel reports illicit delivering refined petroleum to the DPRK. The SIN PHYONG 5 loaded refined petroleum over three consecutive days in August. The three tankers were all observed in the DPRK offloading refined petroleum (see figure 48-2 and 48-3):

Figure 48-2: YU JONG 2 and SAM JONG 1 involved in ship-to-ship transfers with SKY VENUS delivering refined petroleum, DPRK



Source: Member State.

Figure 48-3: SIN PHYONG 5, involved in ship-to-ship transfers with SKY VENUS, delivering refined petroleum, DPRK



Source: Member State.

The Panel's investigations indicated the following shell companies established in various jurisdictions either: shared a similar address and contact number with Cheng Chiun Shipping, Director, or have been listed in the care of a company associated with Cheng Chiun Shipping's address:

- (i) Ocean Energy International Corp.
- (ii) Everway Global Ltd
- (iii) Wills International Co., Ltd
- (iv) Wisteria
- (v) Sunward Marine S.A.
- (vi) Energy Star Marine S.A.
- (vii) Trump Marine S.A
- (viii) Gemmy Marine S.A.

Ocean Energy International Corp (hereafter "Ocean Energy"), the registered owner and manager of SKY VENUS, registered an address in the Seychelles with no contact information⁸⁸. However, documentation of the vessel's classification society indicated that Ocean Energy was managed by Wills International Co. Ltd (hereafter "Wills International"). Wills International, an entity incorporated in Samoa with a physical office in Kaohsiung, shares the same address as Cheng Chiun Shipping. Cheng Chiun Shipping has acknowledged the listed entities as its subsidiary companies.

⁸⁸ IMO records.

The Panel separately notes that Wise Million Ltd, a company with a physical address in Kaohsiung, served as the ship operator and Document of Compliance holding company for the CHAN FONG (IMO: 7350260). The CHAN FONG was investigated by the Panel for conducting a ship-to-ship transfer with the DPRK tanker CHON MA SAN (IMO: 8660313) in March 2018, as well as in connection to T Energy International Co., Ltd.⁸⁹ Wills International is listed as an associated subsidiary company with Wise Million Ltd.⁹⁰ Wills International managed and operated the SUNWARD from January 2013 until June 2021 when the vessel was scrapped. The SUNWARD was registered under the Panama-incorporated entity Sunward Marine S.A.

Responses

The Panel wrote to Cheng Chiun Shipping, the various jurisdictions where other offshore companies were established, and the relevant flag State.

Cheng Chiun Shipping, through a legal firm, acknowledged that SUNWARD and SKY VENUS “..belong to me and my shareholders.” The company denied “...ever transported refined petroleum product(s) to DPRK-related vessels through my oil tankers SUNWARD and SKY VENUS...”, and that the company served as purchasing agent and shipping agent for gasoil customers near Fujian Province, China. According to the company, a Mr Liu from a Hong Kong-incorporated company was the only person to whom it sold gasoil during the periods of interests requested by the Panel. The oil was transferred to “inland ships” and “fishing boats” nominated by Mr Liu. No ship identifiers were provided to receive the gasoil. According to Cheng Chiu Shipping, “...Mr Liu always sends his ships which had the signs and numbers shown on the ships covered”. These receiving ships were instead recognized with a “CNY paper bill” they would present, whose serial numbers would match against those provided by Mr Liu to Cheng Chiun Shipping. The Panel continues to review the information provided by the company.

The Panel is awaiting a response from Samoa on the relevant incorporated entity(s) associated with Cheng Chiun Shipping.

Seychelles provided the requested information to assist the Panel’s ongoing investigations.

Panama provided the requested documentation for the SUNWARD. The screening report for the vessel confirmed the SUNWARD dropped AIS signal during the investigative periods of interest when the vessel conducted ship-to-ship transfers with the DPRK tankers. The Panel is awaiting a response from Panama on the relevant incorporated entity(s) associated with Cheng Chiun Shipping.

Palau has yet to respond on the SKY VENUS.

The Panel separately continues its investigations into the facilitators of other vessels mentioned in the Panel reported alleged to have conducted ship-to-ship transfers with DPRK vessels and direct delivery vessels.⁹¹

Source: The Panel.

⁸⁹ S/2021/211, paras. 52-53 and annex 31.

⁹⁰ IHS Markit.

⁹¹ S/2021/777, para. 45, and S/2021/211, paras. 52-53 and annex 31.

Annex 49a: Vessel's onward sale: RUI HONG 916 (IMO: 9058866)

The Panel investigated the RUI HONG 916 (IMO: 9058866) for ship-to-ship transfer with the DPRK-flagged tanker KUM UN SAN (IMO: 8720436) on 28 May 2019 in the East China Sea (see figure 49a). The Panel recommended the RUI HONG 916 for designation pursuant to paragraph 11 of resolution 2375 (2017). No commercial AIS data exist following the vessel's sale in January 2019, with the RUI HONG 916 last showing AIS signal in early January 2019 when the vessel was at Hinase port, Japan. In March 2019, the vessel was flagged under Sierra Leone for a single delivery voyage from "Onomichi, Japan to Ningde, Fujian Province, China"⁹².

Figure 49a: Ship-to-ship transfer between RUI HONG 916 and DPRK-flagged KUM UN SAN, 28 May 2019



Source: Member State.

The vessel was brokered by the Japan-registered Toei Shipping Co., Ltd (hereafter "Toei"), for the Hong Kong-incorporated Ruis (HK) Marine Co., Limited, for sale in January 2019, with the vessel's Protocol of Delivery and Acceptance dated 9 January 2019. In the Panel's correspondence with Toei, the company clarified that it acted as a non-exclusive agent on behalf of Ruis (HK) Marine Co., Limited when entering into the vessel's sale and purchase agreement.⁹³

⁹² Sierra Leone Maritime Administration.

⁹³ According to Toei, the company usually represents offshore buyers seeking to purchase vessels from Japanese owners.

According to Toei, while it understood Fujian Yihe (see also paras. 47-51) to be the actual buyer of the RUI HONG 916, it was unaware of the vessel's onward sale between Fujian Yihe and the ultimate end buyer 'Wang' that subsequently took place. Toei also engaged a third-party committee of lawyers to review the case. Excerpts of a submitted report of 25 May 2021 is at annex 49b. Toei further indicated it had accepted the third-party committee's recommendations and "*In this respect, we have included the languages in our form of vessel sale and purchase agreement to the effected that we will not be involved in North Korea-related transactions*" (see addendum at annex 49b).

The Panel separately notes affiliations between Ruis Marine and Fujian Yihe.

Investigations continue.

Source: The Panel.

Annex 49b: Proposed recommendations – Excerpts as provided in the original and translated version

Translation / For Reference Purpose Only

To: Toei Shipping Co., Ltd

**Investigation Report of the
Third Party Committee**

May25, 2021

The Third Party Committee of Toei Shipping Co., Ltd.,

Members of the committee:

[REDACTED] chair of the committee
Attorney-at-Law

[REDACTED]

[REDACTED]
Attorney-at-Law

[REDACTED]

[REDACTED]
Attorney-at-Law

[REDACTED]

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III. Measures to avoid any connection with North Korea-related transactions

1 It is truly regrettable that the Vessel in Question was unfortunately used for a North Korea-related transaction that is prohibited or restricted by UNSCR. Even though the Company did not know or could not have known such a situation at all at the time of the transaction, it is undoubtedly necessary for the Company as an entity dealing with ship trading transactions to take measures to prevent such an incident from occurring again in the future.

Nonetheless, at the time of the transaction in question, there is no evidence that measures were generally taken in the ship trading industry to prevent the use of vessels in North Korea-related transactions prohibited or restricted by the UNSCR. The Japanese version of the ship purchase agreement used in this transaction is a standard form (the latest translation of the English version of the ship purchase agreement, revised on November 2, 1999) prepared by the Formalities Committee of the Japan Shipping Exchange, Inc. There is no clause in the form that includes measures to prevent its use in North Korea-related transactions and the form has not been revised to include such measures to this day. From this point of view, we would understand that it would be hard to say that the issues involved is not penetrated sufficiently in the Japanese ship trade industry.

2 Needless to say, it is not permissible to continue a transaction when it is known that the counterparty to a transaction is trying to use the goods to be sold in an illegal transaction. However, this case was not a case where such a circumstance could be detected at the time of the transaction, but rather this was a case where a subsequent buyer from a counterparty to the transaction in question committed illegal activity and it was an unexpected situation for the contracting parties.

Nevertheless, the fact that the Vessel in Question was actually used for the purpose violating the prohibition of transactions related to North Korea, which is prohibited or restricted by the UNSCR that the Japanese government takes the lead in expressing its compliance with, should be solemnly accepted. In order to eliminate involvement in such transactions as much as possible in the future, in light of the purpose of such prohibition, it is necessary to require all parties involved in sales contracts of vessels to take a pledge not to be involved in such transactions, both in concluding contracts and being involved in such contracts. Also, it is necessary to be determined to refrain from transactions with counterparties who cannot be expected to fulfill their pledge. In order to reveal the existence of such pledges, it is necessary to add

a clause to that effect in the contract, which would also be meaningful to remind the parties involved in the contract of such duties. In addition, depending on the situations, there may be room for consideration to add a provision to the effect that if a contracting party violates its covenant and engages in such a transaction on its own and causes damage to the other party, it will be liable for compensation to the other party. In the standard form used in this case, there are also individual agreements outside the form as additional clauses and therefore, there would be no obstacle to adding the above clause as part of such clauses.

On the other hand, if a sale and purchase contract of vessel further includes a clause which prohibits the subsequent purchaser from the contracting party from engaging in such transactions and makes the contracting party itself liable for damages in the event that the subsequent purchaser violates such prohibition, there is a risk of placing excessive obligations and burdens on the contracting party that engages in a wide range of transactions. This may even possibly lead to a situation where a sales transaction fails to conclude even though all other terms and conditions of the transaction have been agreed upon. In commercial transactions, it is very exceptional to make the other party responsible for the actions of the subsequent purchaser and, except in cases where the result of the transaction is understood to have the possibility to support illegal activities, it would be generally understood that parties would trust the good sense of the counterparty and refrain from imposing such restrictions.

IV. Conclusion

1 Based on the above investigation and examination, although it is apparent that the Vessel in Question which is the subject of the sales transaction by the Company, being subsequently resold and used for purposes that violated the prohibition of transactions related to North Korea which is prohibited or restricted by the UNSCR, the Company was merely involved in the sale and purchase of the Vessel in Question as part of its ordinary course of business activities. The Company has never been actively involved in any act in violation of the prohibition of North Korea-related transactions, and at the time of the sales transaction of the Vessel in Question, there were absolutely no circumstances in which the Company knew or could have known that the Vessel in Question would be used for the above-mentioned purpose in the future.

2 In the event where the Company is involved in vessel purchase transactions in the future, in order to ensure that the vessel will not be used for any purpose that is in conflict with the prohibition of North Korea-related transactions, prohibited or restricted by the UNSCR, it is vital for the Company to confirm with counterparty in this point and request for a pledge, and to be determined not to carry out transaction with the counterparty who is not expected to comply with the pledge. On top of that, we believe that one of the best measures that can be taken under the current circumstances is, when concluding a vessel transaction contract, in addition to the standard form used in the past, the Company should include a special provision declaring that "the buyer pledges not to use the vessel which is the subject of this sales transaction for North Korea-related transactions prohibited or restricted by UNSCR" and further include a provision stipulating that the counterparty of the transaction is expected to make independent and voluntary efforts with use of good common sense in fulfilling this pledge, while stipulating liability for damages in the event of non-fulfillment, as the circumstances may be.

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東栄汽船株式会社 御中

調 査 報 告 書

2021年5月25日

東榮汽船株式会社第三者委員会

委員長 弁護士

[Redacted signature]

委員 弁護士

[Redacted signature]

委員 弁護士

[Redacted signature]

第3 北朝鮮関連の取引と一切の関りを持たないための方策

- 1 本件船舶が不幸にして国際連合安全保障理事会決議で禁止あるいは規制される北朝鮮関連取引に使用されたことは誠に遺憾なことである。東栄汽船がそうした事情を取引当時全く知らず、また知り得なかったとはいえ、船舶売買取引に関与する者として、今後こうしたことが二度と生じないように注意するための対策を講じることが必要であることは多言を要しない。

もっとも、本件取引当時、国際連合安全保障理事会決議で禁止あるいは規制される北朝鮮関連取引に使用されることのないようにするための対策が船舶取引業界において一般的に執り行われていた事情は認められない。本件取引に使用された和文の船舶売買契約書は社団法人日本海運集会所書式制定委員会の作成した定型書式（1999年11月2日改定の英文船舶売買契約書訳文で最新のもの）を用いているところ、その書式には、国際連合安全保障理事会決議で禁止あるいは規制される北朝鮮関連取引に使用されることのないようにするための対策を盛り込んだ条項はなく、これを盛り込んだ改定も行われることなく現在に至っている。このことからみても、わが国の船舶売買取引業界において、その点に関する問題意識が十分浸透しているとまでは言い難いように思われるところである。

- 2 取引の相手方が違法な取引に売買対象物品を使用利用しようとしていること

が判明している場合に、なおその取引を継続することが許されないことは言うまでもない。本件は、取引の相手方からの転売先が違法行為に及んだものであって、本件船舶の取引当時にそうした事情が窺われるという事例ではなく、契約当事者間においては想定外の事態であった。

とはいえ、日本政府が率先して遵守を表明する国際連合安全保障理事会決議で禁止あるいは規制される北朝鮮関連取引の禁止等に抵触する目的に本件船舶が現実使用されたという事実は厳粛に受け止めるべきものである。そして、その禁止等の趣旨に照らして、今後そうした取引への関与を可能な限り排除するためには、船舶の売買契約を締結し、またその契約に関与するに当たっては関係者間において、そうした取引に関与しないことの誓約を求め、その履行を期待できないような相手方との取引は差し控える決意が必要である。そして、その誓約の存在を明らかにするため、契約書にもその旨の条項を加えることが必要であるとともに、契約関係者にあらためてその注意を喚起する上でも有意義なことであろうと考える。また、場合によっては、契約当事者がその誓約に違反して自らそうした取引に関与し相手方に損害が生じた場合には、相手方に対して賠償責任を負う旨の規定を設けることも、考慮の余地はあろう。本件で用いられた定型書式においても、追加条項として書式外の個別の取決めがされており、そうした条項の一環として、上記のような条項を付加することに妨げはないと思われる。

他方で、それ以上に、契約当事者からの転売先がそうした取引に関与することまで禁じ、転売先が違反した場合にまで契約当事者自身が損害賠償責任を負うとの取決めをするということになると、広く取引を行う契約当事者に過大な義務と負担を負わせるおそれがあり、それによって、他の全ての取引条件が折り合ったにもかかわらず売買取引が成立しないという事態となることも危惧されるところといえよう。商取引において、取引の相手方に対し、その転売先の行動についてまで責任を負担させようとするのは極めて例外的なことであって、

その取引の結果が違法な行為に加担するおそれがあると判断される場合は別として、通常は、取引の相手方の良識を信頼してこれを差し控えるのが一般であろうと思われる。

第4 結語

- 1 以上の調査及び検討を踏まえると、東栄汽船の関与する取引の対象となった本件船舶がその後転売された結果、国際連合安全保障理事会決議で禁止あるいは規制される北朝鮮関連取引の禁止等に抵触する目的に使用されたことは明らかであるが、東栄汽船は、単なる商行為の一環として本件船舶の売買取引に関与したに過ぎない。東栄汽船は、国際連合安全保障理事会決議で禁止あるいは規制される北朝鮮関連取引の禁止等に抵触する行為に積極的に加担したことは全くなく、本件船舶の売買取引当時、将来本件船舶が上記のような目的で使用されることを知り、又は知り得るような事情は全くなかった。
- 2 東栄汽船が今後船舶売買取引に関与する場合には、その船舶が国際連合安全保障理事会決議で禁止あるいは規制される北朝鮮関連取引の禁止等に抵触する目的に使用されることのないようにするために、取引の相手方に対してその点の確認と誓約を求め、その誓約の遵守が期待できない相手との取引は行わないとの厳格な決意を持って臨むことが肝要である。そして、その上で、船舶取引契約を締結するに当たり、従来から使用する定型書式に加えて、「買主は、国際連合安全保障理事会決議で禁止あるいは規制される北朝鮮関連取引に取引物件を使用しないことを誓約する。」旨宣明する特約規定を設けることとし、その履行については、取引の相手方の自主的主体的努力と良識に期待することとしつつ、状況に応じて、その不履行の場合の損害賠償責任を定めるのが、現今の状況のもとで採りうる最善の方策の一つであると考えらる。

以 上

Annex 49c: Addendum as provided by Toei Shipping Co. Ltd

ADDENDUM NO. 1

to a Memorandum of Agreement dated [Date] as amended and supplemented from time to time together with any addenda thereto (the "Memorandum") for the sale and purchase of the motor vessel XXXX (the "Vessel") entered by and between:

a) TOEI SHIPPING CO., LTD, 5F TOKYO BAYSIDE BUILDING, 3-33-17 KAIGAN, MINATO-KU, TOKYO, JAPAN (the "Sellers"); and

b) XXX (the "Buyers").

With the Buyers and the Sellers hereinafter called the Parties and each of them indistinctively a Party

THE PARTIES HEREBY AGREE AND CONFIRM as follows:

the buyer pledges not to use the vessel which is the subject of this sales transaction for North Korea-related transactions prohibited or restricted by United Nations Security Council resolutions.

IN WITNESS WHEREOF, the both parties hereto executed this Agreement on this [Date]

THE SELLERS
TOEI SHIPPING CO., LTD

THE BUYERS
XXXX

By: _____
Title: PRESIDENT

By: _____
Title: PRESIDENT

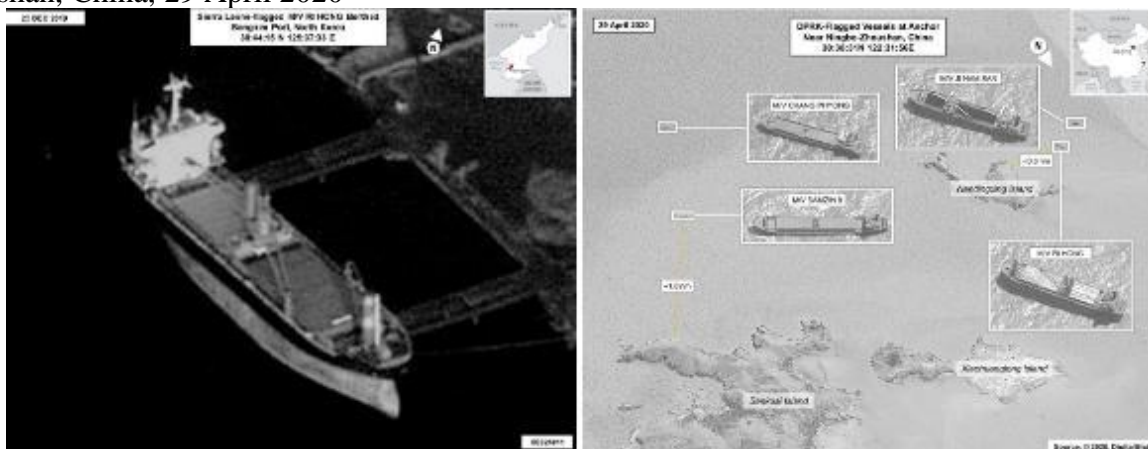
Source: The Panel.

Annex 50a: Vessel's onward sale: RI HONG nka DPRK-flagged TO MYONG (IMO: 9162318)

The Panel recommended the then Sierra Leone-flagged RI HONG (IMO: 9162318) for designation when it was recorded on satellite imagery alongside other DPRK cargo vessels exporting coal in Ningbo-Zhoushan waters on 29 April 2020.⁹⁴ The vessel is currently DPRK-flagged, re-named TO MYONG.⁹⁵ Prior to that, the vessel was berthed at Songnim port, DPRK, on 23 December 2019 (see figure 50a-1). The vessel last transmitted less than a week earlier in Shidao waters, China. Both vessels, suspected to have been operating under DPRK control, have since officially transitioned under the DPRK fleet sailing as TO MYONG and SAM JIN 8 respectively. The Panel had recommended the RI HONG for designation pursuant to paragraph 11 of resolution 2375 (2017)⁹⁶. The vessel has since continued to export DPRK-origin coal to Ningbo-Zhoushan waters.

Panama confirmed that the RI HONG was deregistered from its ship registry on 20 December 2019 on the basis of the transfer of the vessel under another flag (see figure 50a-2). The Panel wrote to the latter ship registry and did not receive a response. IMO records showed the vessel was next re-named KLAUSEN, sailing under the Sierra Leone flag in May 2020⁹⁷, with its registered owner and ship operator as the Hong Kong-incorporated Converse Trading Limited⁹⁸. The Sierra Leone Maritime Administration confirmed to the Panel that it de-registered the KLAUSEN on 17 November 2020 with the reason of the vessel's expiration of its issued provisional registration certificate. The RI HONG was subsequently listed to have come under the DPRK's fleet as on October 2020, sailing as the TO MYONG⁹⁹. There has been no commercial AIS transmissions of the vessel since mid-December 2019.

Figure 50a-1: RI HONG at Songnim port, DPRK, 23 December 2019, and anchored near Ningbo-Zhoushan, China, 29 April 2020



Source: Member State.

⁹⁴ S/2020/840, paras. 57-59 and S/2021/211, para. 79 and annex 38(b).

⁹⁵ IMO GISIS. Flagged on October 2020 but updated only subsequently from information provided by flag state (backdated).

⁹⁶ IMO GISIS. Flagged in October 2020 but updated only subsequently from information provided by flag state (backdated).

⁹⁷ Information then available as dated on IMO GISIS.

⁹⁸ This entity has no online or commercial footprint.

⁹⁹ IMO GISIS. Flagged in October 2020 but updated only subsequently from information provided by flag state (backdated).

Figure 50a-2: Flag deletion certificate of RI HONG, December 2019

IMO No. IMO NUMBER 9162318	NÚMERO OFICIAL REGISTRATION No. 23921-97-0	DISTINTIVO DE LLAMADA CALL / GROSS 3FJH7
---	---	---

CANCELACIÓN DE REGISTRO / DELETION CERTIFICATE		
Nombre del Buque: RI HONG		
Nombre al Votado		
Tipo de Buque: OTRAS CARGAS / CARGA GENERAL - OTHER CARGO / GENERAL CARGO SHIP		
Tipo of Vessel		
Año de Construcción: Year of Build	Tonelaje Bruto: Gross Tonnage	Tonelaje Neto: Net Tonnage
1997	9448.00	3114.00
Eslora: Length	Manga: Breadth	Puntal: Depth
94.79 mts	19.60 mts	13.00 mts
Propietario: Owner		
LI HONG SHIPPING CO., LTD. (100%)		
Solicitante y Fecha: Applicant and Date		
COPIA DEL EXPEDIENTE DE LA NAVE		
[Redacted] 18-12-2019		
Resolución/Fecha de Cancelación: Resolution/Registration Close		
C-44215-19 20-12-2019		
Datos de inscripción del Buque: Information of the Registered Ship		
Que el título de propiedad del buque consta inscrito en la FICHA 20270 ROLLO 55298 IMAGEN 14 de la Dirección General de Registro Público de Propiedad de Naves; si actual cambio de Propietario consta inscrito en el DOCUMENTO 1922205.		

Este certificado muestra que el buque antes identificado se encuentra libre de gravámenes según confirmación del Titular de la nave y el buque anterior a la fecha de inscripción y cancelación de la inscripción en el Registro Público expedido el 18-12-2019, y se cancela por haberse cancelado el Registro Público debido a: Cita Public Registry dated and Part is previously cancelled/As the Public Registry due to: Transferring to a New Register: TRANSFERENCIA A OTRO REGISTRO [Redacted]





Derechos: RO No. 10163588A del 20 de diciembre de 2019
Firma: AMP

000848903

Source: Member State.

In 2020, the Panel wrote to **Li Hong Shipping Co Ltd** (hereafter “Li Hong Shipping”), the then known last listed registered owner of RI HONG, and (listed in the care of) **Hong He Shipping Co Ltd** (hereafter “Hong He Shipping”), the latter serving as the vessel’s ship manager, operator, technical manager and Document of Compliance company holder. The Panel sought information on the vessel, its cargo, its ownership, all associated counterparties involved, along with relevant documentation and financial transactions. The Panel received a response from Li Hong Shipping’s owners via its lawyers on 24 August 2021 providing documentation, including of the vessel’s onward sale by 16 December 2019 to a Chinese entity, China Nuclear Aviation Technology (Ningbo) Company Limited (中核航空科技(宁波)有限公司) (hereafter “CNAT”) (see annex 50b). The Panel informed Li Hong Shipping that the information on the IMO website had continued to list the company as the vessel’s registered owner and recommended that vessel owners should ensure they do not remain liable by ensuring vessel onward sale information is updated with the IMO in a timely manner with the requisite documentation.

As regards information on whether Li Hong had reached out to the buyer (its representatives) for an explanation, Li Hong Shipping responded “Our clients have sought answers from the Buyer via the broker regarding the allegations, but have been unsuccessful. Our clients stress that they had no knowledge that the Buyer intended to carry out any alleged illicit activities.” The Panel separately was able to obtain a contact detail of CNAT sourcing publicly available information and corresponded with the company. The Panel continues to await the company’s response.

Li Hong Shipping¹⁰⁰ also indicated that it failed to receive the Panel's earlier emails requesting information on RI HONG as it was sent to a personal email possibly belonging to an individual of a similar sounding name (with a word mis-spelt) at Hong He Shipping (its management and 'care of company') that was no longer under its employ. The Panel notes that the individual's name continued to be officially listed with the IMO as recent as December 2021.

On the Panel's request on due diligence information, Li Hong responded "As the arrangement was through a broker and between two Chinese entities, our clients did not undertake additional due diligence to that which was undertaken by the broker. There was nothing to suggest to our clients that further due diligence was required. That said, our clients have updated their internal procedures to ensure that, in the future, additional due diligence checks are carried out."

On the Panel's query on steps undertaken by Li Hong to reduce the risk of such transactions, Li Hong responded:

"..... our clients had an in-house meeting with all their employees to discuss the lessons learned from the allegations concerning Ri Hong [Enclosure 9]. Those lessons included:

- 1) prudent investigations/due diligence on business counterparties;
- 2) enhanced due diligence when high-risk jurisdictions are involved;
- 3) better contract management;
- 4) conducting due diligence on cargo;
- 5) improved collection of information, including utilising brokers and insurers; and
- 6) penalties for non-compliance.

Our clients are also working with us to implement a sanctions compliance program that the companies and their employees may refer to for training and guidance purposes." See annex 50c. The Panel notes these efforts undertaken.

The TO MYONG has continued to transit in Ningbo-Zhoushan waters as well as at a Chinese port in 2021¹⁰¹ (see annex 58).

Source: The Panel.

¹⁰⁰ All information in this report that states a correspondence and corresponding responses from Li Hong Shipping's owners was conducted via its lawyers, a legal firm registered in the United Kingdom.

¹⁰¹ Pursuant to paragraph 5, resolution 2397 (2017).

Annex 50b: Documentation in relation to the RI HONG's sale

Excerpt of Legalized Bill of Sale of RI HONG

Form No. 10A

Described by the Commissioner of Customs & Border with the consent of the Bureau or Agent for Trade and Customs

U.S. 70-A

BILL OF SALE (Body Corporate)

Official number / BCI Number	Name of Ship	Build year and port of registry	Whether a sailing vessel or motor ship	Gross power of engine (if any)
23921-97-D / 9162318	RI HONG	1997, Panama	MOTOR SHIP	3,883KW

Registered Length	Meters	Feet	Number of Tons (Other than engine as indicated the higher of these should be stated)	
	94.79			
Registered Breadth	19.60			
Registered Depth	13.00			
			6,448	3,114


As described in more detail at the Registry Book.

We, LI HONG SHIPPING CO., LIMITED, (hereinafter called "the Transferee") having its registered address at Trust Company Complex Ajeltake Road, Ajeltake Island, Majuro, Marshall Islands MH96960 in consideration of the total amount paid to us by Zhonghe Aviation Technology(Ningbo) Co., LTD. having its registered office at Bq66, No.2, Hangou Xi Road, Alangdiantown, Ningbo City, Zhejiang Province, P.R. China (hereinafter called "the Transferor") the receipt whereof is hereby acknowledged, transfer all (18000) shares in the Ship above particularly described, and in her boats and appurtenances, to the said Transferee(s).

Further, we, the said Transferee for ourselves and our successors covenant with the said Transferor(s) and their assigns, that we have power to transfer in manner aforesaid the premises hereinafore expressed to be transferred, and that the same are free from all encumbrances, mortgage liens and other debts whatsoever.

In witness whereof we have executed this Bill of Sale as a Deed on the 29th day of November 2019.

LI HONG SHIPPING CO., LIMITED

By: 
Title: Attorney / President (Power of Attorney)

20. If the Bill of Sale is in full of the Ship Corporation, the Transferee must and children in full and acknowledged transfers to the said "Bill of Sale".
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Protocol of Delivery and Acceptance

船舶交接书

Protocol of Delivery and Acceptance

至相关各方：

根据双方于 2019 年 11 月 23 日签署的船舶买卖合同，卖方，LI HONG SHIPPING CO., LIMITED (利鸿航运有限公司) (Trust Company Complex Ajeltake Road, Ajeltake Island, Majuro, Marshall Islands MH96960) 已于 2019 年 12 月 16 日 14 时 38 分 (北京时间) 在中国威海市石岛锚地向买方核航空科技(宁波)有限公司 (注册地址为中国浙江省象山县鹤浦镇浦地西路 2 号 05 幢)，交付壹 (1) 艘名为“RI HONG”的巴拿马注册的二手货轮 (国际海事组织编号 9162318，官方编号 23921-97-D，总吨 6448，净吨 3114) (以下简称“船舶”)。

该船的全部产权以及属于该轮目前在船或者在岸的所有的备品备件等物品转让给买方，并且无租约，无产权负担，无抵押，无海事留置权或者任何其它债务或索赔等。

买方同意接受该船的全部产权，自上述日期、时间和地点开始产生的一切权益和风险由买方承担，并确认该船根据合同条款已经交付给了买方。

卖方：
LI HONG SHIPPING CO., LIMITED
利鸿航运有限公司

买方：
中核航空科技(宁波)有限公司

签字人：
职务：

签字人：
职务：



Excerpt of the sale and purchase contract for RI HONG

船 舶 买 卖 合 同		Norwegian Shipowners' Association's Motto-random of Agreement for sale and purchase of ships. Adopted by The Baltic and International Maritime Council (BIMCO) IN 1956. SALEFORM 1993 Revised 1966, 1983 and 1986/87
日期: 2019 年 11 月 23 日		
LIHONG SHIPPING CO., LTD 作为该船的注册所有人		1
注册地址: 马绍尔公司注册号: 66359. Trust Company Complex, Ajeltake Take Road, Ajeltake Island, Majuro, Marshall Islands MH96960.		2
下称“共同卖方”, 同意出售		
中核航空科技(宁波)有限公司 (下称“买方”), 同意购买		3
地址: 浙江省象山县鹤浦镇浦港西路 2 号 05 幢		
船名: RI HONG		6
船级社: ICS (INTERNATIONAL CERTIFICATION SERVICES)		7
建造: 1977 建造厂: Higaki Shipbuilding Co., LTD. 日本		8
船旗: 巴拿马		9
注册地: 巴拿马		10
船舶呼号: 3FJM7 总吨/净吨 GRT/NRT: 6448/3144		11
国际海事组织编号: 9162318		12
下称船舶, 基于以下条款签订本合同		13
定义		14
“书面”是指买卖双方互相递交的挂号信件、电传或其他现代通讯方式。		16
“船级社”或者“船级”是指第 7 行规定的 ICS 船级社		17
1. 购买价格: [REDACTED]		18
2. 保证金		19
作为本合同顺利履行的保证, 买方须在双方签署(传真或者电子邮件)本合同后的五个银行工作日内支付 10%保证金。该保证金须按照买方的意愿, 以银行转账的方式或者现金支付到卖方书面指定的账户和地点。		20 21
3. 付款		22
船舶交接时, 买方须将剩余的 90%的尾款以及剩余燃油、润滑油及其它根据合同约定的应支付的款项(如果有的话), 以银行转账或者现金的方式支付到卖方书面指定的账户和地点。		23 24
上述款项的支付时间不超过“准备交船通知书”递交后的三个银行工作日。		25
准备交船通知书, 至少早于合同预约日之前的三个银行工作日内提供。		26
4. 船舶检验		30
买家已于 2019 年 9 月 3 日在越南富美港对该船进行检验, 并且接受该船。本合同买卖是完全的、肯定的, 将仅以本合同规定的条款为准。		31 32
5. 交船通知, 交船时间和地点		31
A) 卖方应就船舶动态及时通知买方, 并在递交“交船准备就绪通知书”之前, 发出 15、10、7 天的大约通知, 和 5、3、1 天的准确通知。“交船准备就绪通知书(NOR)”只有在船舶按照合同规定在各方面都准备好交接时递交才被认为有效。买方必须在收到卖方的通知时做出书面回复, 否则视为买方接受该通知。		32 33 34
B) 该船须安全停泊在中国的山东石岛港的外锚地进行交接。		37
交船时间: 2019 年 12 月 10 日至 2019 年 12 月 20 日, 由卖方选择。		60
解约时间(参考第 5C 条款, 6B (III) 和 14 条款): 2019 年 12 月 30 日 由买方选择		61
C) 如果买方认为虽然其所提仍不能在解约时间之前准备好交船, 则卖方须书面通知买方新的交船时间并确定一个新的解约时间。在收到该书面通知后的 7 个连续自然日之内, 根据本合同第 14 条的规定买方有权选择		62 63

XXXXX

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Business Licence of China Nuclear Aviation Technology (Ningbo) Company Limited



Source: The Panel.

Annex 50c: Proposed due diligence measures --- Meeting minutes as provided in the original and translated version

鸿和船务有限公司
HONG HE SHIPPING CO., LIMITED

关于总结 RIHONG 轮事件经验教训的会议记录

2021 年 8 月 5 日, Hong He Shipping Co, Ltd 全体人员召开会议, 主题是总结 Ri Hong 轮销售后买方利用该轮违法营运给我司代理损失的经验教训, 敦促所有人员在业务交往中提高警惕, 不要违反国家法律, 国际公约和相关的国际组织的法令。为此, 特将本会议记录发给各部门遵守执行。

我司 2019 年 12 月, 我司管理的 RIHONG 轮在正常程序中销售给了买方中核航空科技(宁波)有限公司。今年 7 月初我司在香港的账户被中国银行(香港)有限公司关停。事后经过调查, 得知买方中核航空科技(宁波)有限公司买入该轮后去做了涉及联合国制裁地的非法贸易。因此我司推测银行关停我司业务的原因即可能与此事有关。虽然我司聘请香港律师与银行做出了交涉和说明, 但是银行至今没有回复我司的银行服务, 也没有对关停业务的依据和理由给予说明或澄清。此事件给我司造成了很大的损失, 除了抗辩澄清的花费, 我司管理的船舶发生的正常交易没有了资金支持, 部分业务停摆和延误。现将就此事对我们造成的不良影响与经验教训总结如下, 请各位同事汲取教训, 在今后的工作中时刻保持高度警觉, 避免留下隐藏隐患。

1、 业务关系人的审查

鸿和船务有限公司

HONG HE SHIPPING CO., LIMITED

从今往后，不论是在哪一环节哪一方面需要和新的客户，尤其是外国当事人发生业务关系时，负责该业务的员工必须上报公司，由公司做好尽职调查。调查的内容为该客户的信誉，经济实力和是否有过违法记录和违法了国际制裁令的行为。

2、 合同管理

在各类合同的拟定过程中，要多方查阅相关法律条文，确保语言得当严谨，叙事清楚明晰，责任归属表达准确，没有歧义。执行完结的合同要每个季度编订入卷。在季度末上交公司行政部登记存放。凡是在执行中发生过争议和纠纷的合同，当事人要在季度总结会上做出总结汇报并提出合同的改善意见和防损建议。

3、 交易标的物的审查

管理的船舶虽然在租船人的指令下营运，承载租船人提供的货物。但是我司各业务人员要尽量核实具体的货物是否涉嫌违法违规。目前已经听说有租船人安排船舶运载制裁地为原产地的货物。虽然中间经过伪装，但是已经给其他船公司造成了伤害。我司要以他人公司的案例作为教训，谨慎操作，切勿中招。

4、 信息收集和查证渠道

对于我司没有条件确定的疑问，应该立即联系船舶的租船经纪人，保险经纪公司，保险人或保赔协会询问情况和请求帮助查证。联系业务时不得使用个人邮箱。但个人邮箱也要告知公司登记管理。收到不属于本部门业务的邮件时要及时转发相关部门，不得不予理睬或忽视。

鸿和船务有限公司
HONG HE SHIPPING CO., LIMITED

5 处罚

Ri Hong 轮事件的经验教训请各位同事时刻谨记。如果有员工没有遵守上述规定给公司造成损失，公司将给予经济惩罚，严重者赔偿损失并解除合同。

请全体同事在今后的日常工作中严谨对待，时刻保持警觉状态，确保公司业务健康发展。

此致 全体员工

鸿和船务有限公司

For and on behalf of
HONG HE SHIPPING CO., LIMITED
鸿和船务有限公司
.....
Authorized Signature(s)

2021 年 8 月 6 日

Meeting Minutes on Lessons Drawn From “Ri Hong” Sale Incident

Aug 6th, 2021

All the employees of Hong He Shipping Co, Ltd had a meeting on Aug 5th, 2021 to conduct a reflection session on lessons learned in respect of the incident of the sale of the ship “Ri Hong”, the buyer of which has utilized the ship to conducted illegal trade and indirectly brought damage and loss to our company. Therefore, the company hereby reminds all employees to be alert and cautious of the potential risks in the course of business and to avoid breaching domestic and international laws and Acts. The minutes of this meeting are handed out to all the departments for compliance.

The ship “ Ri Hong” managed by our company was sold to the buyer ZhongHe Aviation Technology (Ningbo) Company (the “Buyer”) through normal purchase & sale formalities under a contract in Dec 2019. In early July 2021, our company’s bank account with the Bank of China (Hong Kong) Branch was canceled without prior notification and post-explanation. Our company afterwards conducted an investigation and learnt that the Buyer, after purchasing the vessel “Ri Hong”, used her to trade in North Korea, which is a state under UN sanction. Though our company has retained Hong Kong lawyers to deal with the Bank of China with full evidence proving our innocence and genuine ignorance towards buyer’s illegal activities, the Bank refused to restore their services, and furthermore, the Bank refused to give any further appropriate explanation. Therefore, this incident has resulted in a great loss to our company. Besides the costs in defending our position, our company has now suffered frustration of business due to loss of cash flow support. Now, we are having this meeting for the purpose of having the lessons summarized with an expectation that all colleagues should be well alert and be cautious of similar risks in future work .

1. Check on Business Counterparties

From now on, when dealing with new clients, no matter at which levels and in what respect, everybody should report all details to the company and the company shall conduct a prudent investigation on the legality of new clients. The investigation will cover the creditworthiness, the financial ability and default/criminal record inclusive of whether the client has been suspected of having breached international sanctions.

2 Contract Management

When drafting contracts, all employees should refer and rely on relevant laws and use proper terms with explicit and unambiguous wordings. The fulfilled contracts should be structured into volumes with codes and be submitted to the company for record keeping. Every dispute that took place during the execution of the contract should be summarized and reported to the company at the end of season meeting. Relevant moments for reflection and loss prevention suggestions should be raised by the relevant persons.

3 Checking Information on Cargo

All people should be on alert and exercise due diligence when checking the information on cargo such as the source, origin and the legality thereof, even though ships are trading under charterers' instructions and cargo are provided by charterers. It has been previously reported that other ship owners have suffered a lot for being wrongly and unknowingly involved in illegal cargo carriage arranged by their charterers. We should take it as a lesson and do our best to avoid such risks so as to ensure the company's business stays on a right and lawful track.

4 Collection of Information

It has been decided that it is now required where there are uncertainties and inquiries, or when there are no channels to satisfy anti-loss investigations, employees should immediately consult our charter broker, insurance broker or H&M insurer and P&I insurers for assistance on accurate information. However, it is strictly forbidden for private emails to be used in business contacts and every private email, despite not being allowed to be used, should be registered with the company for safety management protocols. Every person, after receiving emails unconnected with his own business, is obliged to re-deliver these emails to the right person who is in charge of that business so as to eliminate any omission of the work.

5 Penalty

Everybody is to take the incident of "Ri Hong" as a lesson and reflect especially in respect of observing international regulations and to be on guard against violation of international sanctions. People who cause damage or loss to the company due to his ignorance and negligence on this requirement will incur economic punishment imposed by the company. Those who violates these regulations to a serious extent shall be fired without excuse.

All employees are hereby demanded to follow and observe the above rules and stay alert to potential risks. These rules are stipulated for the purpose of making ship trading safe in the common interests of the company and all our employees.

Hong He Shipping Co, Ltd

Source: The Panel.

Annex 51: Vessel Acquisition by the DPRK - SU RYONG SAN (IMO: 9016430)

The Panel began tracking the DPRK cargo vessel SU RYONG SAN (IMO: 9016430) post-transition, based on anomalous AIS transmissions. While the vessel was flagged under the DPRK in October 2020¹⁰², no vessel tracks were available for ten months after August 2020. The vessel began transmitting intermittently on multiple identifiers as it departed Nampo 6 July 2021. It arrived at Ningbo-Zhoushan waters later the same month. By 25 August 2021, the vessel was at Longkou port area where it remained for over two weeks, where it was suspected to have engaged in ship-to-ship transfers based on transmitted draft changes, before berthing at Longkou's bulk cargo terminal by 11 September 2021. It was observed outside of Nampo Lockgate by mid-September 2021 (see figures 51-1~51-2).

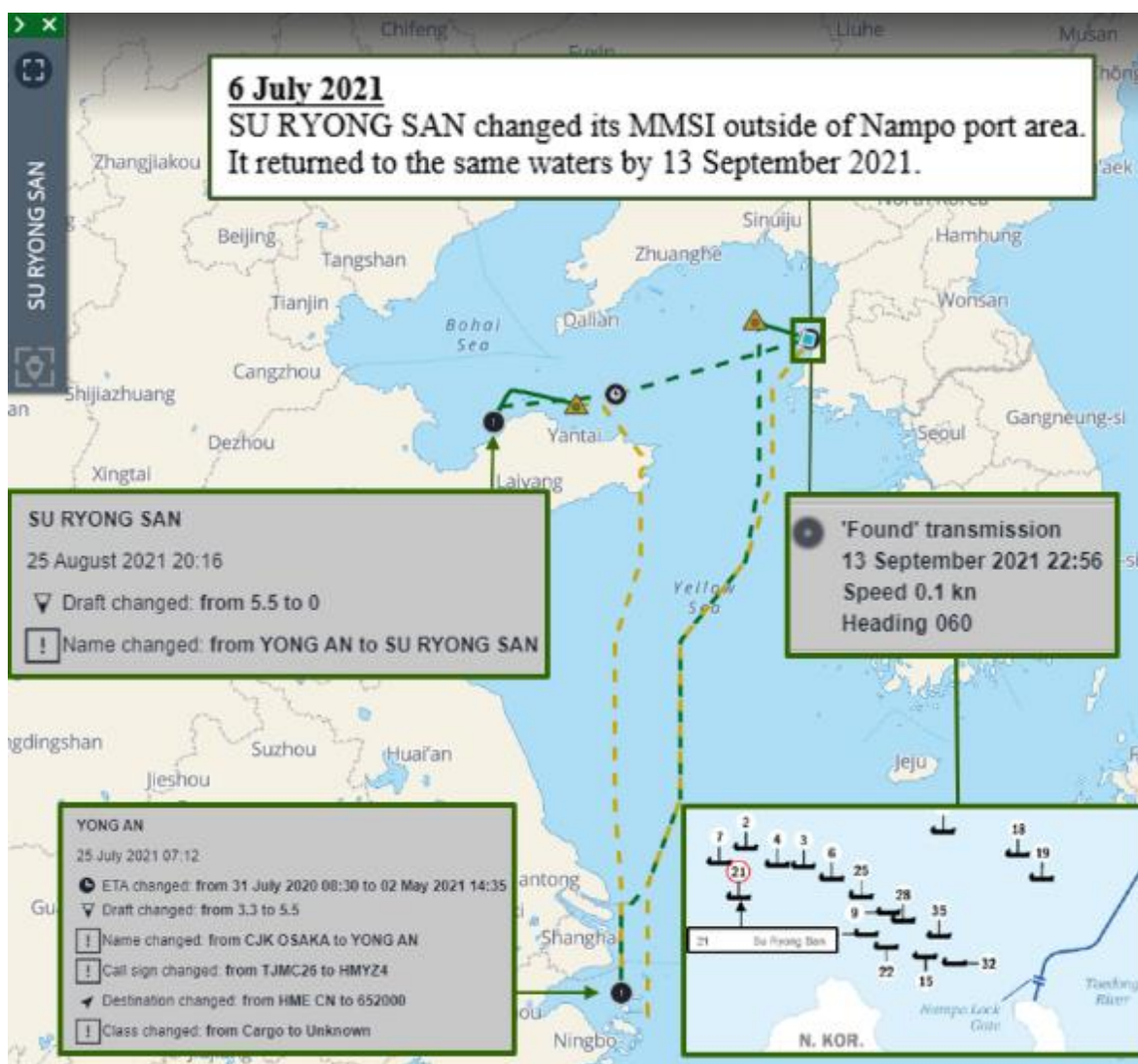
Prior to it being flagged under the DPRK, the vessel sailed under the Dominican flag for three months, indicating the vessel was issued a single delivery voyage permit for delivery to its new owners, HongKong Great Fortune Development Co. Limited (香港吉運(运)發(发)展有限公司) (hereafter "HKGf"). HKGF was the last registered owner when it was sailing as the CJK OSAKA in 2020, before the vessel joined the DPRK's fleet¹⁰³. The company neither has an online footprint nor have kept the email it was registered against on corporate documentation.

¹⁰² Ibid.

¹⁰³ IMO GISIS.

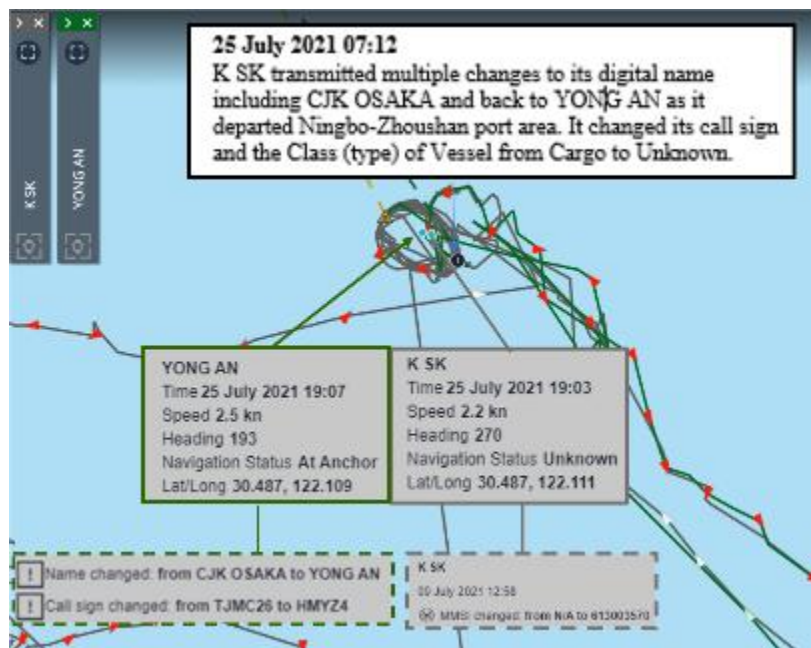
Figure 51-1: Storyboard of DPRK-flagged vessel *SU RYONG SAN* transmitting false identifiers

July to September 2021



July 2021 – Ningbo Zhoushan, *SU RYONG SAN* spoofing as *YONG AN* and *K SK*¹⁰⁴. *CJK OSAKA* is the historical name of *SU RYONG SAN*

¹⁰⁴ The *K SK*'s spoofed MMSI and calls sign belongs to a Cameroon-flagged cargo vessel operating solely in the Mediterranean.



August 2021 - Longkou

On 25 August 2021 (see figure 51-1), the vessel sailing as YONG AN briefly transmitted on its original identity SU RYONG SAN outside of Longkou port before changing its digital profile to K SK while at Longkou Bulk Cargo Terminal.

September 2021 – Longkou



Source: The Panel.

The Panel is further investigating suspected sanctions evasion and violation activities across multiple fronts by HKGF since 2019.

The Panel asked China, on the SU RYONG SAN's identifiers under which it was transmitting, its cargo offloaded in Ningbo-Zhoushan waters and at other Chinese ports, any ship-to-ship transfers conducted

in Chinese waters with the type and amount of cargo offloaded and loaded, along with shipping documentation and financial transactions.

Based on information obtained from various sources, HKGF is alleged to have imported into China between 100,000 to 200,000 metric tons of DPRK-origin coal from the DPRK entity Yonggwang Furniture and Building Materials Corporation 영광가구건설회사 aka 영광가구합영회사 (Yonggwang Furniture Joint Venture Company) – hereafter “Yonggwang”. Yonggwang agreed to ship the following to HKGF:

- DPRK-origin coal aboard the DPRK-flagged JANG UN (IMO: 8822260);
- DPRK-origin coal aboard the DPRK-flagged KUM SONG 7 (IMO:8739396); and
- DPRK-origin coal aboard the DPRK-flagged RYON HWA 3 (IMO: 8312227).

This information is consistent with an earlier investigation undertaken by the Panel concerning the suspected transfer of DPRK-origin coal from the DPRK-flagged JANG UN and KUM SONG 7 to the QUN RONG XIANG, a Chinese cargo ship, the latter as currently investigated by Chinese authorities¹⁰⁵. See annex 55 for details. The RYON HWA 3 was back in Chinese waters in August 2021 and was observed grounded a month later in Ningbo-Zhoushan, China (figure 51-2).

¹⁰⁵ S/2021/777, paras. 96-98.

Figure 51-2: Vessel aground, Ningbo-Zhoushan, 18 September 2021



Source: (top) Member State, (bottom) Maxar Technologies and Windward.

The Panel sought information from China on the DPRK vessels, their identities transmitted in Chinese territorial waters, Chinese-entities owning and operating the receiving vessels, those that procured the cargo from DPRK cargo vessels—imported the coal, and the relevant shipping and financial documentation.

China responded that “SU RYONG SAN entered Longkou Port in August 2021, offloaded watch movements, and left the port after loading stationary in September 2021”. On the QUN RONG XIANG, China responded: “*The investigations into ... QUN RONG XIANG are still underway, and we do not have information to share at the current stage.*” On RYON HWA 3, China responded the vessel entered Yantai port “empty-loaded” in March 2021 and departed “*...by loading pesticide, fertilizer and other agricultural supplies in the same month.*” China had no information on HongKong Great Fortune Development Co., Ltd.

Source: The Panel.

Annex 52a: SUSPECTED VESSEL ACQUISITION BY THE DPRK - OCEAN SKY (IMO: 9125308)

The Panel is investigating the suspected DPRK acquisition of the Sierra Leone-flagged OCEAN SKY (IMO: 9125308). A Member State reported that the vessel was delivered at sea by Asia Ocean Shipping Limited (亞洲遠洋運輸有限公司) to the DPRK entity, Ryongsung Trading Corporation, between 24 and 30 May 2021. Panel investigations also showed that another China-based intermediary associated with Asia Ocean Shipping was associated with the vessel PU ZHOU, prior to the latter becoming the DPRK-flagged SU RI BONG (IMO: 8605727).

Commercial maritime AIS data show that OCEAN SKY has not transmitted verified AIS signal following the vessel's onward sale as the vessel departed Busan, Republic of Korea on 11 May 2021. The vessel was previously sailing as the Republic of Korea-flagged DAEHO SUNRISE. The Hong Kong-incorporated entities China Tianchuan International Group Shipping Limited and Asia Ocean Shipping were listed as the vessel's new registered owner and ship manager¹⁰⁶.

Asia Ocean Shipping allegedly used an SDV permit issued by the Sierra Leone Maritime Administration for the said transfer. Such permits typically require less scrutiny. The PU ZHOU (IMO: 8605727) and RUI JI STAR (IMO: 9010058)¹⁰⁷ were also flagged under Sierra Leone for a short period of time before being re-flagged under the DPRK.

The Panel sought relevant information from Sierra Leone including, *inter alia*, whether the OCEAN SKY was issued a single delivery voyage permit (SDV) for its transit to its new owners. Sierra Leone has yet to respond.

To trace the OCEAN SKY, the Panel wrote to the vessel's previous ROK-registered owner, Daeho Shipping Co., Ltd (hereafter "Daeho Shipping"). According to Daeho Shipping, the vessel was under its ownership and management from 28 February 2011 to 17 May 2021. The vessel was cancelled from the Republic of Korea's ship registry on 17 May 2021 (seen annex 52b). According to Daeho Shipping, a mainland China and Hong Kong broker sought out a Seoul-based broker, a Mr. Chang, in March 2021 to purchase the specified vessel. A Bill of Sale was concluded the same month, with the final closing of the deal's Protocol of Delivery and Acceptance on 4 May 2021, when the vessel was handed over. A buyer inspection of the vessel in April was cancelled "due to COVID-19" when the vessel was at port in Nantong, China. No follow up inspection was scheduled.

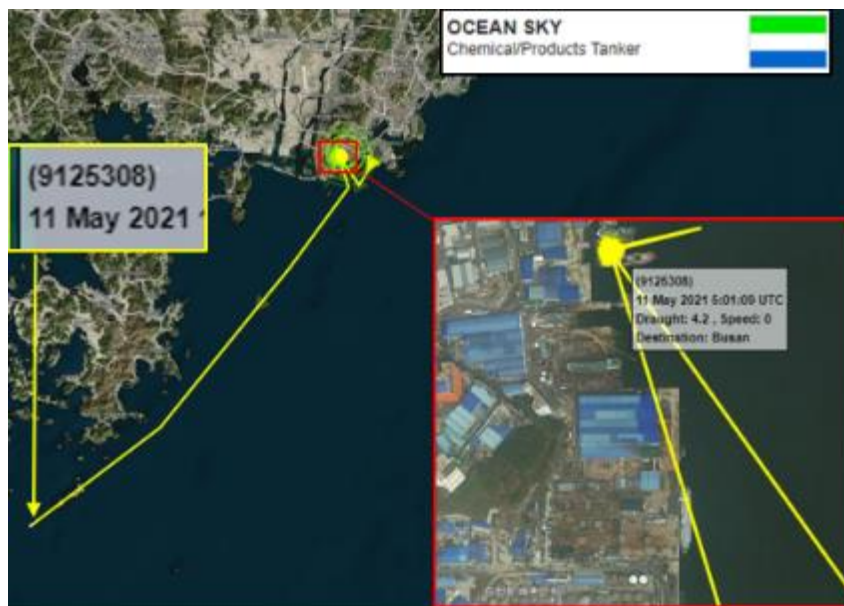
Daeho Shipping stated it delivered the vessel to the ROK broker during the handover with no buyer's representatives present. Thereafter, the vessel departed Busan, ROK, on 11 May 2021 for delivery to Zhoushan by tug. Commercial maritime tracking showed AIS transmission was lost the same day (see figure 52a-1).

¹⁰⁶ IMO GISIS.

¹⁰⁷ Now sailing as DPRK-flagged MYONG SA SIM NI. The vessel has since been observed on satellite imagery in Ning-Zhoushan waters exporting DPRK-origin coal (S/2021/777, paras. 89-92).

Intermittent spot AIS transmissions of the OCEAN SKY were captured on commercial maritime databases between August and November 2021¹⁰⁸ (see figure 52a-2). The vessel was observed on satellite imagery at a Chinese shipyard on 1 October 2021 (see figure 52a-3). The OCEAN SKY last transmitted AIS signal on 13 November 2021 in waters outside the shipyard (inset imagery at figure 52a-2).

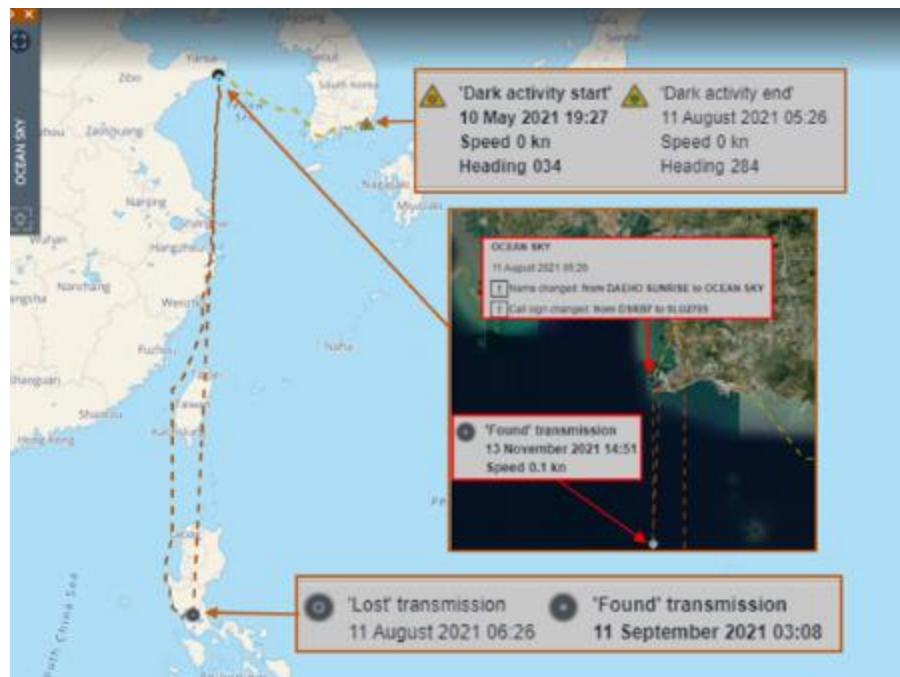
Figure 52a-1: OCEAN SKY stopped transmission, Busan, ROK, 11 May 2021



Source: IHS Markit Seaweb, annotated by the Panel.

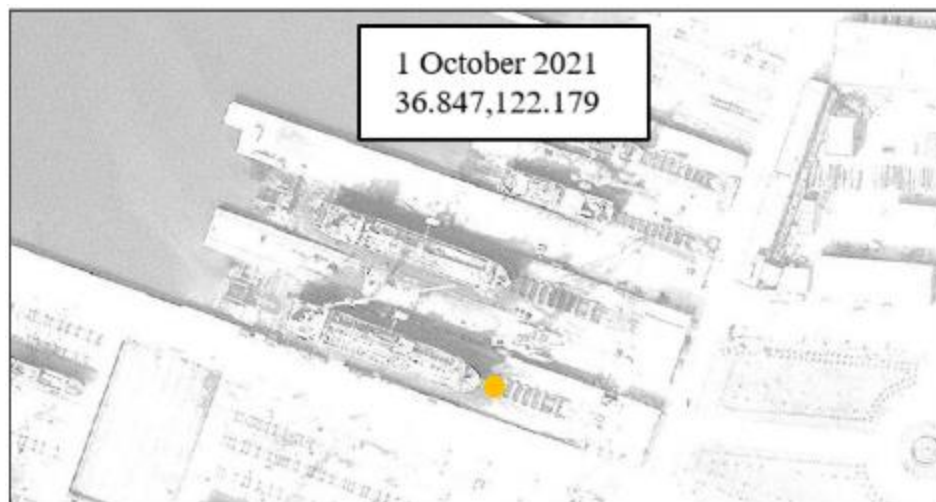
¹⁰⁸ The OCEAN SKY's last AIS transmission was on 13 November 2021, as on 31 December 2021.

Figure 52a-2: Spot AIS transmissions of the OCEAN SKY that show possible spoofing, August to November 2021



Source: Windward, annotated by the Panel.

Figure 52a-3: OCEAN SKY berthed at a shipyard, Shidao, China, 1 October 2021



Source: Maxar Technologies, annotated by the Panel.

The Panel continues to investigate the OCEAN SKY's suspected entry under DPRK control.

The Panel notes that another vessel investigated by the Panel, the WOO JEONG (nka SIN PHYONG 5) (IMO: 8865151)¹⁰⁹ was also delivered at Shidao in July 2019 before the vessel came under the DPRK flag (see figure 52a-4).

Figure 52a-4: AIS transmissions showing the OCEAN SKY in October 2021, and the WOO JEONG (nka SIN PHYONG 5) in July 2021, Shidao, China



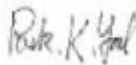
Source: Google Earth, annotated by the Panel.

Investigations continue into the entities that facilitated the transfer of the OCEAN SKY.

Source: The Panel.

¹⁰⁹ S/2021/777, paras. 78-79 and annex 38.

Annex 52b: Ship registry cancellation notice of OCEAN SKY, 17 May 2021

CONFIRMATION OF CANCELLATION OF VESSEL'S NATIONALITY				
Confirmation Number : 2021-12				
Owner	Name (Company)	DAEHO SHIPPING CO., LTD.		
	Address	19, DAEPYEONG-RO 38BEON-GIL, YEONGDO-GU, BUSAN, REPUBLIC OF KOREA		
Official Number		JJR-111011	Gross Tonnage	3,654 tons
IMO Number		9125308	Signal Letters	DSRB7
Kind of Vessel		MOTOR VESSEL	Name of Vessel	DAEHO SUNRISE
Port of Registry		JEJU	Material of Hull	STEEL
Rigging (if a Sailing Vessel)			Type and Number of Engines	DIESEL 1
Kind and Number of Propellers		SCREW 1	Where Built	JAPAN
Name of Builders		FUKUOKA SHIPBUILDING CO., LTD.	Date of Launch	1996-01-09
Main Dimensions		Length 93.97 m	Breadth 16.50 m	Depth 8.50 m
Date of Cancellation of Registration		2021-05-17		
Reason of Cancellation of Registration		EXPORT		
<p>It is hereby confirmed that the above described vessel was canceled from Nationality of the Republic of Korea in accordance with Ship Act Enforcement Regulations, Article 23.</p> <p>The 17 th day of 05 2021</p> <p>(Signature) </p> <p>Director General of BUSAN Regional Oceans & Fisheries Administration</p>				

Source: The Panel.

Annex 53: Fishing Rights Transfer

Annex 53a : Monitoring and Inspection of Fishing Vessels

(1) MMSI signals detected by Member State in 2021

A Member State identified at least 428 vessels which had entered DPRK waters between 22 April and 22 June 2021. In addition, the Member State identified 9 MMSI numbers associated with these fishing fleets. According to the Member State's analysis, those nine vessels had taken the route illustrated below. The Panel notes that the vessels apparently departed from Shandong Province (山东省) and Liaoning Province (辽宁省) of China.

MMSI numbers identified:

300807023
300820047
412329999
412445566
412556677
412599899
412631558
412900023
517518888

(2) List of three fishing vessels inspected by a Member State in 2021¹¹⁰

A Member State has informed the Panel that in May 2021 its authorities inspected the following three fishing vessels which were moving southwards from DPRK waters.

1. Fuyuanyu (福遠漁) 189
2. Liaodanyu (遼丹漁) 36005
3. Liaodanyu (遼丹漁) 36006

According to the inspections of *Fuyuanyu 189* on 1 May, the vessel had departed from the port of Shidao (石島) on 30 April and headed towards DPRK waters. The fishing rights in DPRK waters had been priced at 300,000 RMB, which would allow the right to fish from 1 May to 1 September.

According to the inspections of *Liaodanyu 36005* and *Liaodanyu 36006* on 6 June, the vessels had departed from the port of Dandong (丹東) on 1 May, entering DPRK waters on 15 May. The vessels conducted squid fishing until June. The cost of the fishing rights had been 200,000 RMB, allowing fishing until 1 October.

¹¹⁰ S/2020/777, para. 82.

Annex 53b: Reply from China**3. Fishing rights (OC.302)**

China's position on illegally acquiring fishing rights is crystal clear. Such activities, once verified, will be dealt with in accordance with laws and regulations. China's fishing authority and relevant coastal provinces have taken measures to strengthen management and demanded the fishing companies and fishermen to strictly follow the requirement of Security Council resolutions.

According to China's investigation, Fu Yuan Yu 189 has been anchored on the tidal flat since July 2017, and too eroded to sail. It is impossible for it to appear in relevant waters from May to June 2021. As for Liao Dan Yu 36005 and Liao Dan Yu 36006, we find no information of those two vessels. The license issued by the fishing authority in Dandong, Liaoning Province starts with number 2. The two vessels mentioned in the Panel's letter must have used fake licenses. The fishing vessel with MMSI number 412445566 mentioned in the Panel's letter has been operating in waters close to Fujian since 2021. China finds no activities of this vessel towards the DPRK's waters. In addition, we cannot find any information of HengXing Fisheries Limited, Dalian, JinHai Fisheries Limited, Tianjin, etc in China's business registration system.

Viewing and analyzing from the above, we believe the information

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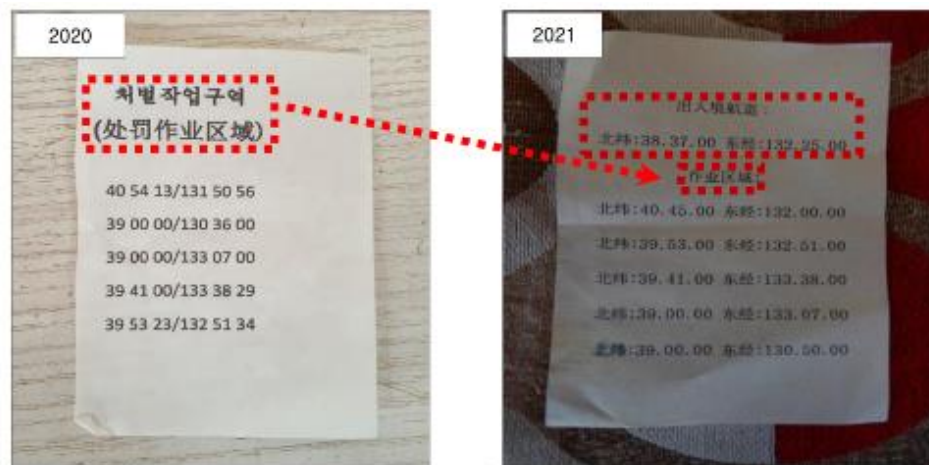
provided by some member states are seriously inaccurate and cannot serve as basis for China to carry out investigations. The information source is unreliable, and its truthfulness and accuracy cannot be verified. The Panel should not include the above-mentioned information into the report. Otherwise, it will seriously damage the authority and objectivity of the report.

Source: Member State.

Annex 53c: Permitted fishing areas in DPRK waters 2020-2021

According to Member State information, the size of the permitted fishing areas¹¹¹ in DPRK waters was reduced in 2021 (figures 53c-1 and 53c-2).

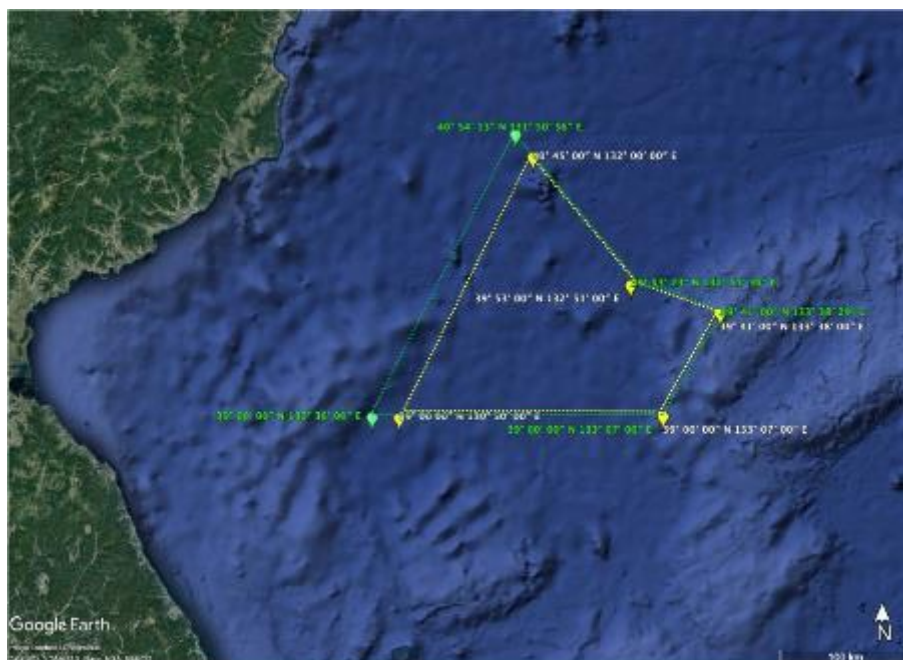
Figure 53c-1



Source: Member State.

Figure 53c-2

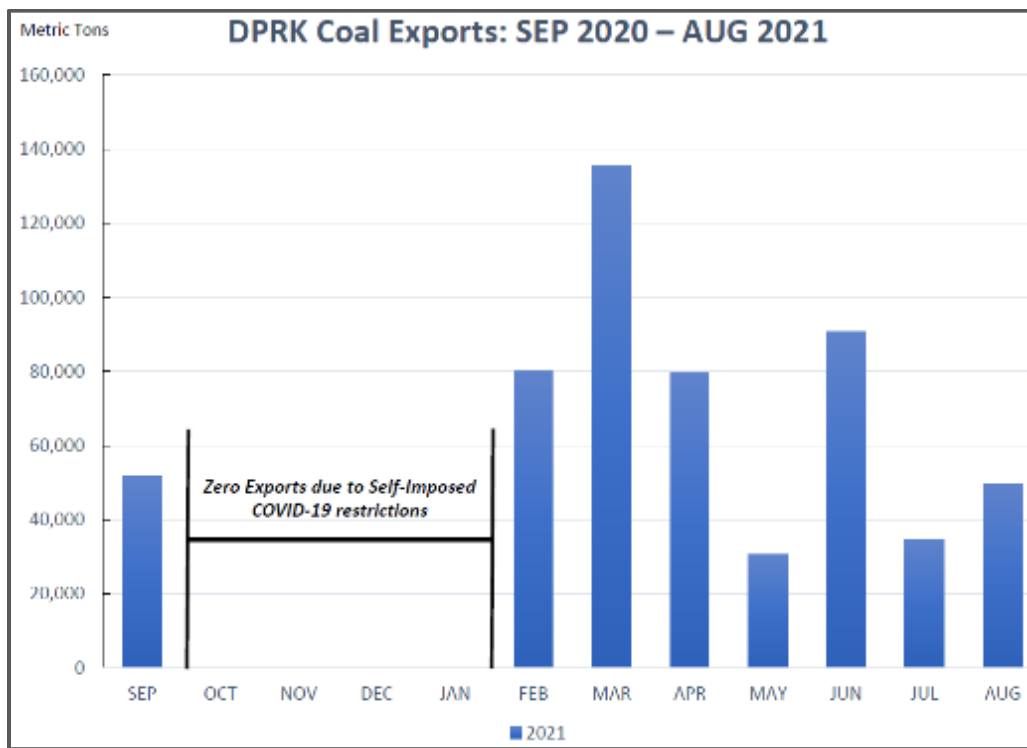
Below is the image of abovementioned fishing areas annotated by the Panel. The area surrounded by the green dotted line was in 2020 and yellow dotted line is in 2021.



Source: Google Earth, annotated by the Panel.

¹¹¹ S/2021/777, para. 82 and annex 41.

Annex 54: Table of maritime coal exports by the DPRK



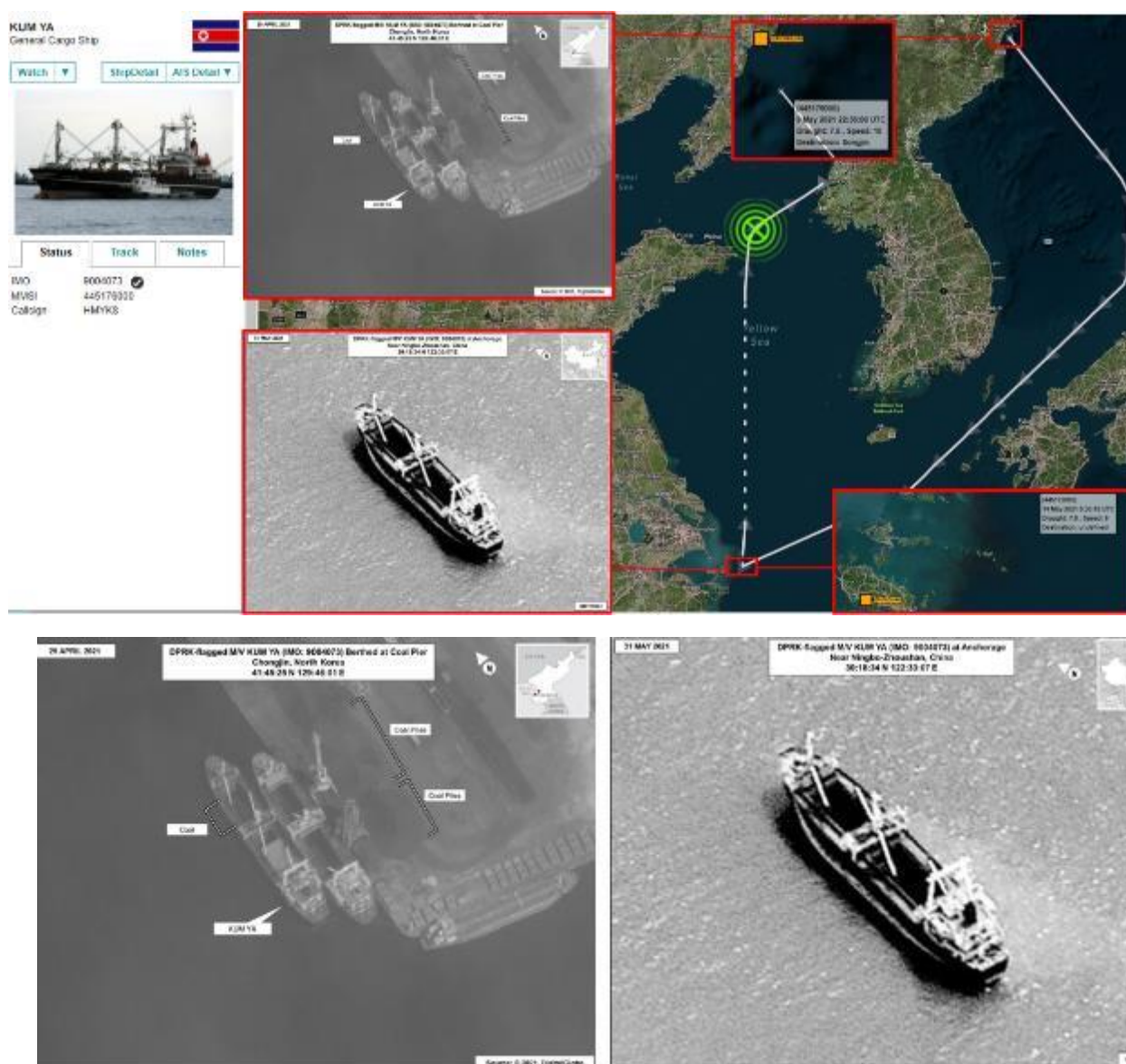
Source: Member State.

Annex 55: Examples of DPRK-flagged vessels in Ningbo-Zhoushan area to export coal between May and September 2021

DPRK-flagged KUM YA (IMO: 9004073)

According to commercial AIS maritime tracking data, the KUM YA departed Chongjin, DPRK, by 9 May 2021. It arrived in Ningbo-Zhoushan waters by 14 May 2021 where it remained. The vessel, which departed the DPRK laden with coal, was observed to be riding high in Ningbo-Zhoushan waters on 31 May 2021, indicating it had offloaded DPRK-origin coal during that period of time. KUM YA was back in DPRK waters in the West Sea Barrage by 27 June 2021.

Storyboard of KUM YA April – May 2021



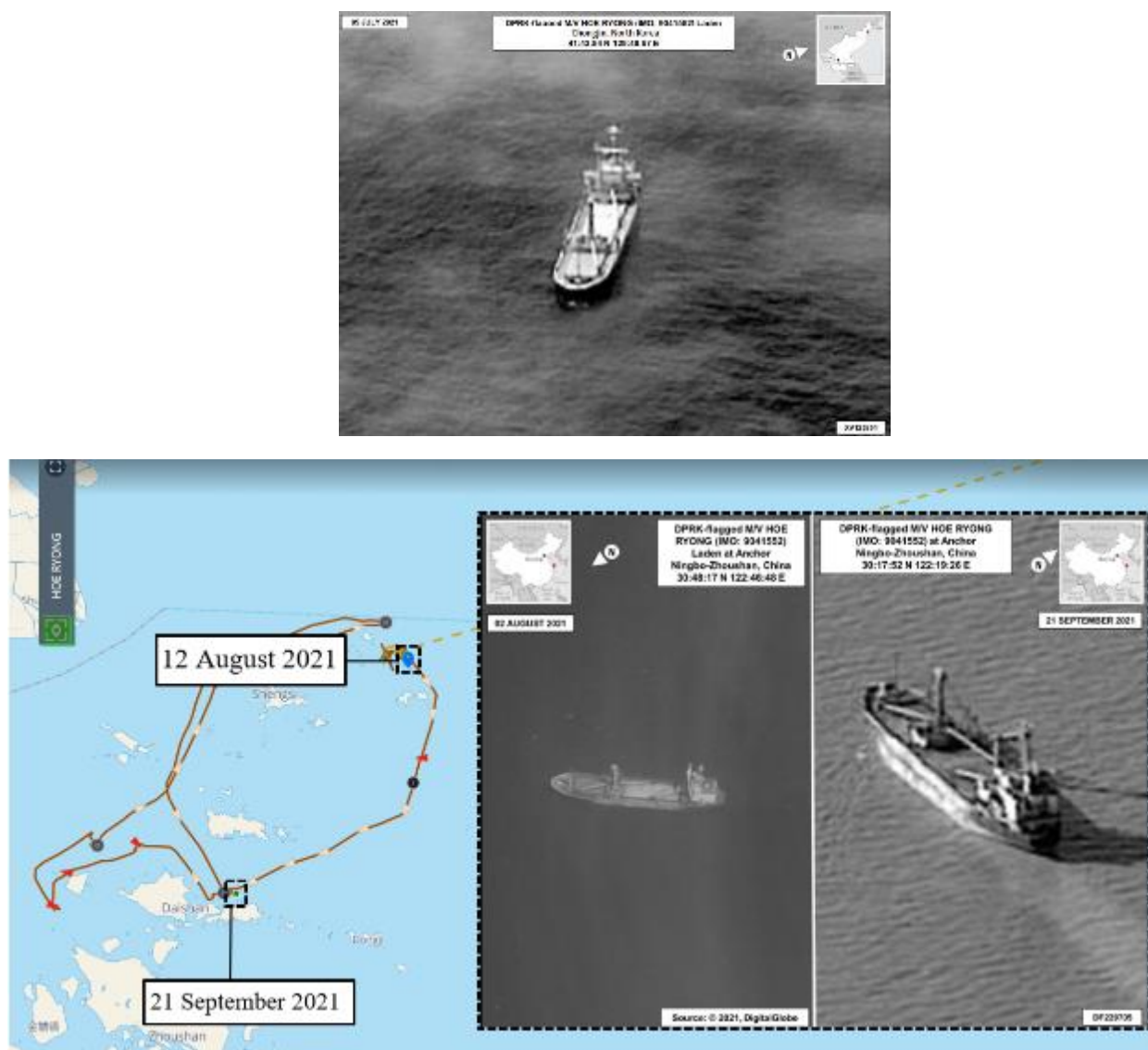
Source: IHS Markit Seaweb, annotated by the Panel, (satellite imagery) Member State.

DPRK-flagged HOE RYONG (IMO: 9041552)

Another DPRK cargo vessel, HOE RYON, was observed on satellite imagery departing Chongjin, DPRK, in July 2021 for Ningbo-Zhoushan, China, transmitting AIS only during a part of its journey. The vessel was observed in August 2021 riding low in water when it arrived in Ningbo-Zhoushan. By 21 September 2021, HOE RYON, still in the same waters, was observed riding high in water, indicating it had offloaded DPRK-origin coal during that period of time.

AIS data showed the HOE RYON departed Ningbo-Zhoushan waters by 25 September 2021 where it sailed towards the west coast of the DPRK, stopping transmission by 30 September 2021¹¹².

Storyboard of HOE RYON, July to September 2021



Source: Windward, annotated by the Panel, (satellite imagery) Member State.

¹¹² As on 30 December 2021.

DPRK-flagged FLOURISHING (IMO: 8421315)

The DPRK cargo vessel FLOURISHING was observed departing Wonsan laden with DPRK-origin coal on 1 August 2021, for Ningbo-Zhoushan, China, transmitting AIS only during a part of its journey. The vessel was observed on 17 August 2021 riding low in water when it arrived in Ningbo-Zhoushan. By 21 September 2021, FLOURISHING, still in the same waters, was observed riding high in water, indicating it had offloaded DPRK-origin coal during that period of time (see storyboard). Both the HOE RYON and FLOURISHING were in Ningbo-Zhoushan waters around the same time exporting coal. FLOURISHING stopped AIS transmission while still in Chinese territorial waters.

The Panel also tracked the vessel's ownership and management history. The FLOURISHING was flagged under the DPRK in November 2018¹¹³. Prior to this, the vessel was managed and operated by Hongxiang Marine Hong Kong Ltd (鴻祥海運(香港)有限公司) (hereafter "Hongxiang Marine")¹¹⁴, an entity sanctioned by the United States' Treasury Department in February 2018¹¹⁵ that also managed then Comoros-flagged ORIENTAL TREASURE (IMO: 9115028). The ORIENTAL TREASURE¹¹⁶, flagged under the DPRK's fleet the same time as FLOURISHING, was reported by the Panel on multiple occasions for exporting DPRK-origin coal. Other vessels managed by Hongxiang Marine before transitioning under the DPRK flag, some of which around the same time included: ASIA HONOR (IMO: 8405220), HORIZON STAR (IMO: 9017123), NEW DAWN (IMO: 9135494)¹¹⁷, and PAEK MA (IMO: 9066978)¹¹⁸ – all of which have exported coal in Ningbo-Zhoushan waters.

Since coming under the DPRK fleet, FLOURISHING had been transmitting on fraudulent identifiers and sailing as 'FS'. The vessel had also transmitted in Ningbo-Zhoushan waters in February 2020, a known area where DPRK cargo vessels have and continue to export their illicit coal (see storyboard).

¹¹³ IMO GISIS.

¹¹⁴ Room 1502, 15th Floor, Keen Hung Commercial Building, 80, Queen's Road East, Wan Chai, Hong Kong, China. Entity was dissolved in June 2018.

¹¹⁵ <https://home.treasury.gov/news/press-releases/sm0297>

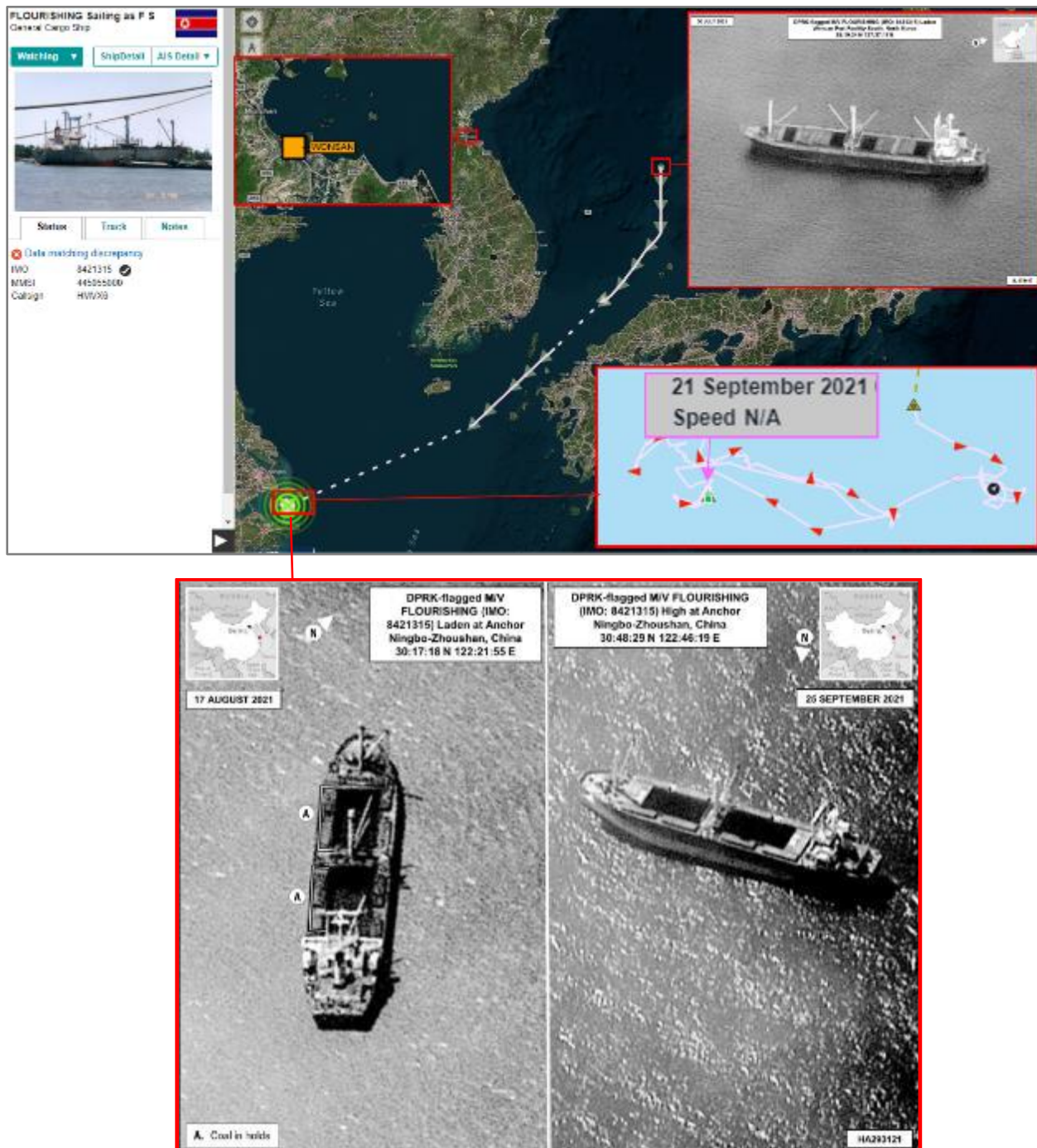
¹¹⁶ Flagged under the DPRK in November 2018.

¹¹⁷ Flagged under the DPRK in April 2017.

¹¹⁸ Flagged under the DPRK in December 2016.

Storyboard of FLOURISHING

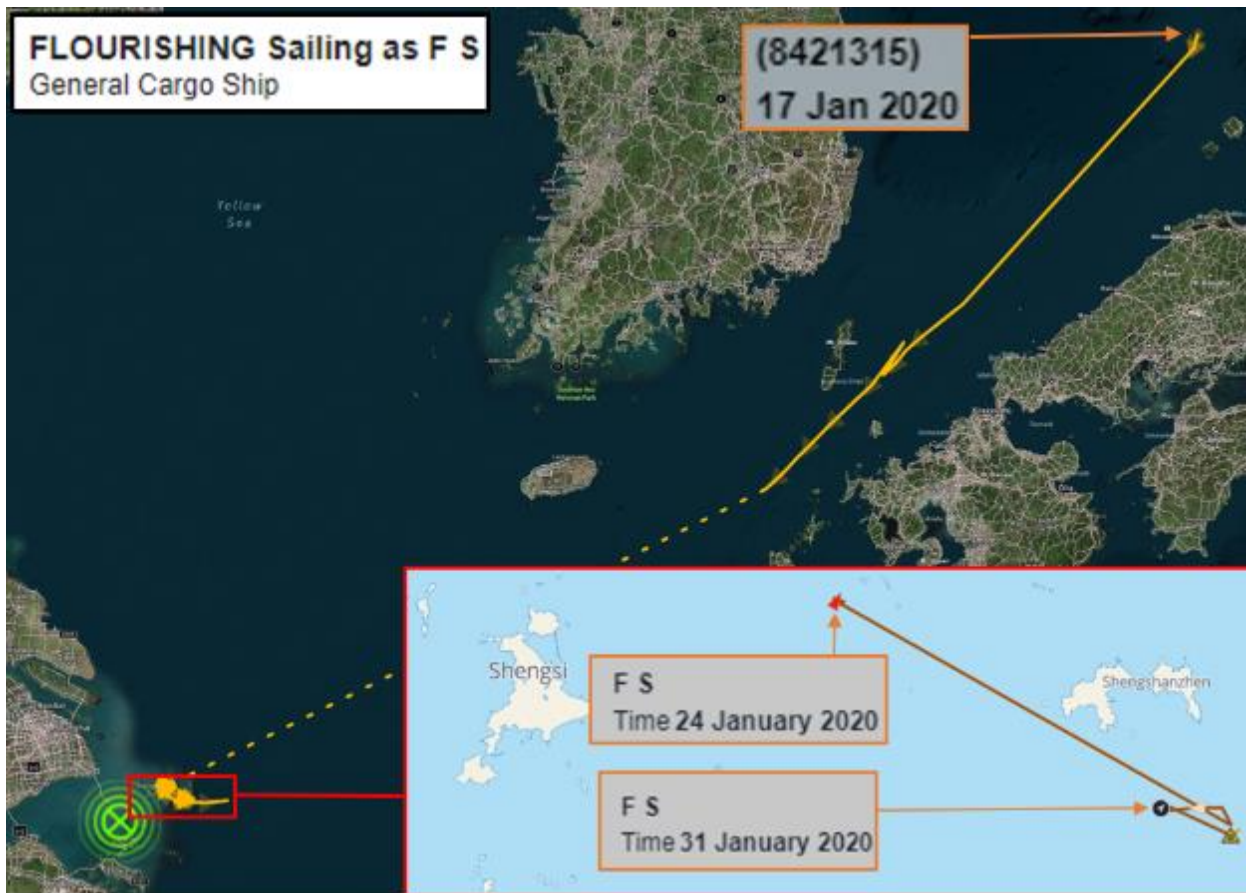
July – September 2021



Source: IHS Seaweb, (inset AIS transmissions) Windward, annotated by the Panel, (satellite imagery) Member State.

January – February 2020

The FLOURISHING transmitted as FS in Ningbo-Zhoushan waters from late January to early February 2020. During the period, the vessel updating its draught status indicating an offload of cargo.



Source: Source: IHS Seaweb, (inset AIS transmissions) Windward, annotated by the Panel.

The Panel continued to seek China's assistance on the recurring presence of multiple DPRK vessels in Ningbo-Zhoushan waters to export coal via ship-to-ship transfers, including information on any cargo offloaded by the DPRK vessels via ship-to-ship transfer in those waters, the receiving vessels' identifiers, and entities and individuals that own, operate and procured any of the cargo from the DPRK vessels.

China responded that "There is no record of port calls in China for vessels KUM YA, HOE RYONG, FLOURISHING in 2021"

Source: The Panel.

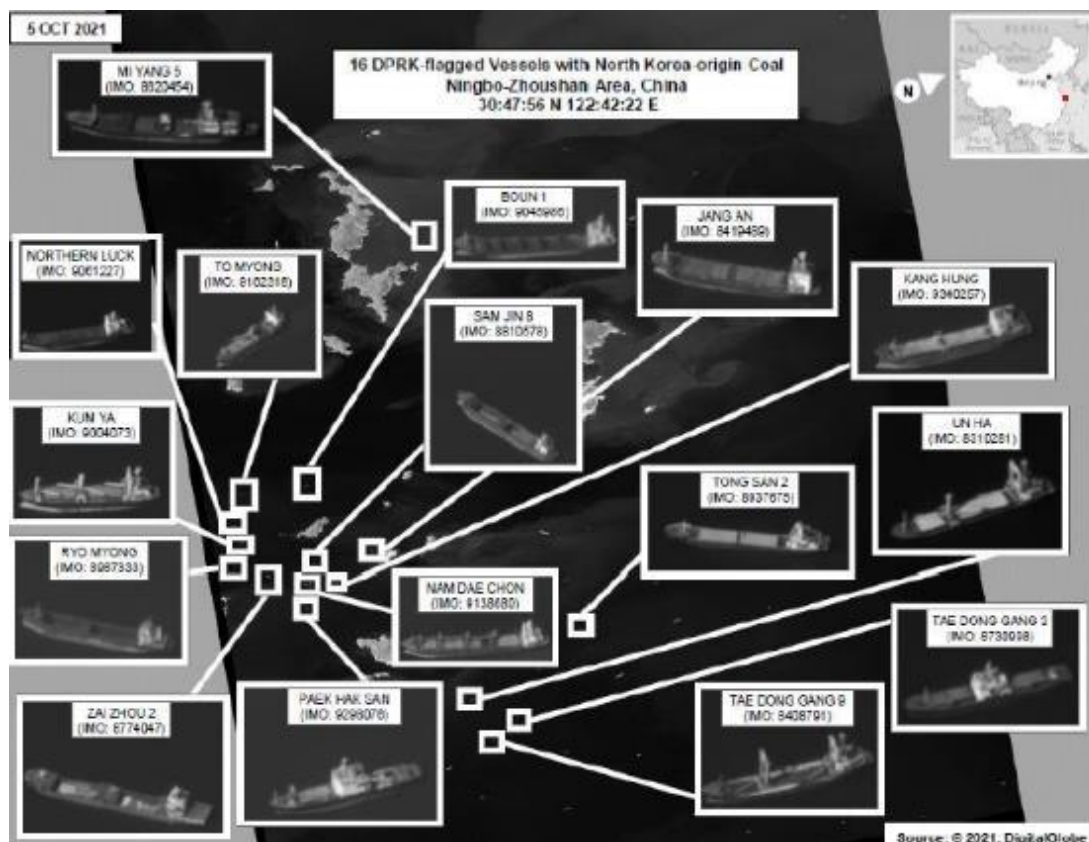
Annex 56: DPRK Coal Vessels at Ningbo-Zhoushan, China

Example: TAE DONG GANG 3 (IMO: 8730998) in Ningbo-Zhoushan waters, China, October to November 2021



Source: (top) Member State, (bottom) Windward annotated by the Panel.

Figure 56: DPRK-flagged vessels laden with coal, Ningbo-Zhoushan, 5 October 2021



Source: Member State.

The Panel sought China's assistance in providing information concerning each of the above-mentioned vessels' presence in Chinese waters, the identifiers under which they were transmitting, their cargo, any ship-to-ship transfers conducted in Chinese waters with the type and amount of cargo offloaded, the identities of the receiving vessels along with the entities and individuals that owned and operated the receiving vessels, the end destinations of the offloaded coal cargo, along with shipping documentation and financial transactions.

China responded: "There is no record of port calls in China for vessels *KUM YA*, *HOE RYONG*, *FLOURISHING*, *MI YANG 5*, *NORTHERN LUCK*, *RYO MYONG*, *PEAK HAK SAN*, *BOUN 1*, *JANG AN*, *TONG SAN 2*, *TAE DONG GANG 9* and *TAE DONG GANG 3* in 2021. For vessels *ZAI ZHOU 2*, *TO MYONG*, *SAM JIN 8*, *NAM DAE CHON*, *KANG HUNG* and *UN HA*, they entered Yantai port empty-loaded, and left the port after loading chemical fertilizer, pesticide and other agricultural supplies."

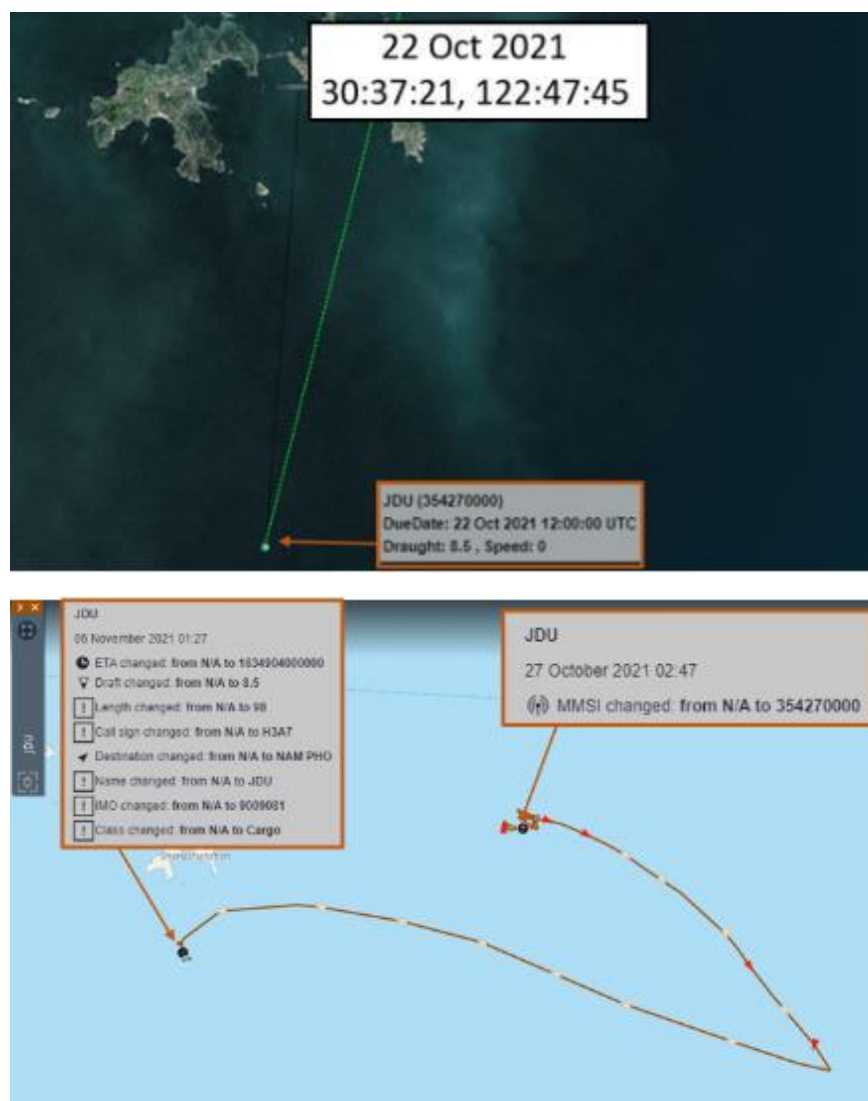
Source: The Panel.

Annex 57: DPRK coal vessels spoofing

DPRK vessels have continued to broadcast falsified identifiers while in Chinese territorial waters where they export coal. The transmission of falsified identifiers is a documented evasion method used by the DPRK and suspect vessels to conduct sanctions evasion activities.

For example, the Panel tracked a suspect vessel JDU (MMSI: 354270000) spoofing a fraudulent identifier in Ningbo-Zhoushan, October-November 2021 (see figure 57). The vessel transmitted briefly in the DPRK before appearing in Chinese territorial waters. While there, the vessel spoofed a Panama-associated MMSI that was operating in South America, along with other AIS manipulations, while reporting a destination of ‘NAM PHO’.

Figure 57: Suspect vessel transmitting as “JDU” transmitting in Ningbo-Zhoushan waters in October-November 2021.



Source: (top) IHS Seaweb; (bottom) Windward, annotated by the Panel.

*Times and dates reflected on Windward are in EST.

The Panel asked China if it had more information on the JDU, whose location, lengthy AIS gaps and fraudulent transmission of false identifiers appear as very similar signatures used by DPRK-flagged vessels to obfuscate their illicit maritime trade. China replied that “There is no record of port calls in China for *JDU* in 2021”.

The following DPRK-flagged vessels transporting coal likewise fraudulently transmitted on other identifiers while in Ningbo-Zhoushan waters:

- SU RYONG SAN (IMO: 9016430) (see annex 51);
- ASIA HONOR (IMO: 8405120);
- CHANG PHYONG (IMO: 9338981); and
- PU HAE (IMO: 9020601)

ASIA HONOR, CHANG PYONG and PU HAE are repeat offenders that had previously falsified their transmissions in Ningbo-Zhoushan waters, as illustrated in previous Panel reports. They have continued to broadcast on the same false identities in the same waters.

Storyboard of DPRK-flagged ASIA HONOR transmitting false identifiers

May 2021



June 2021



July 2021

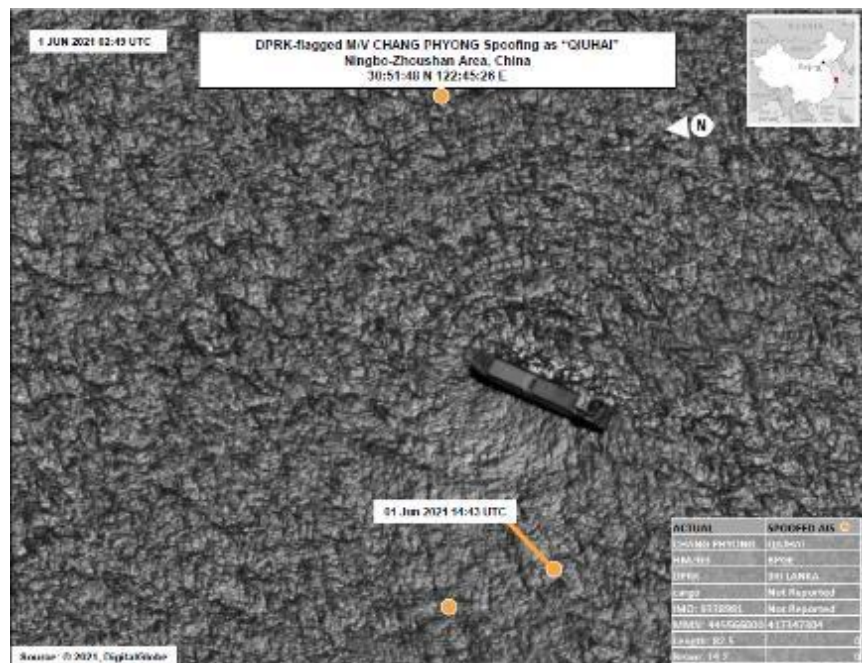
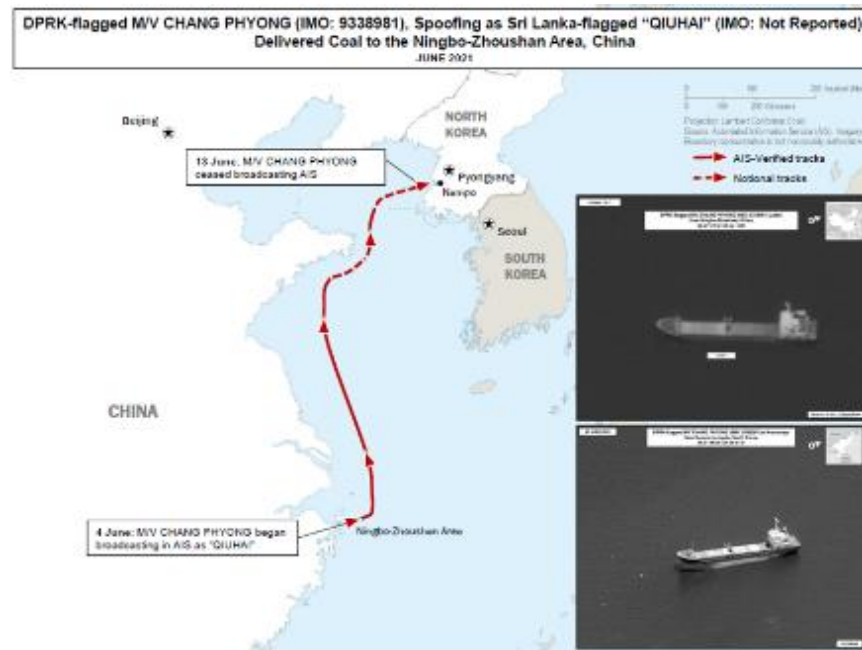


Source: Member State.

Storyboard of DPRK-flagged vessel CHANG PHYONG transmitting false identifiers

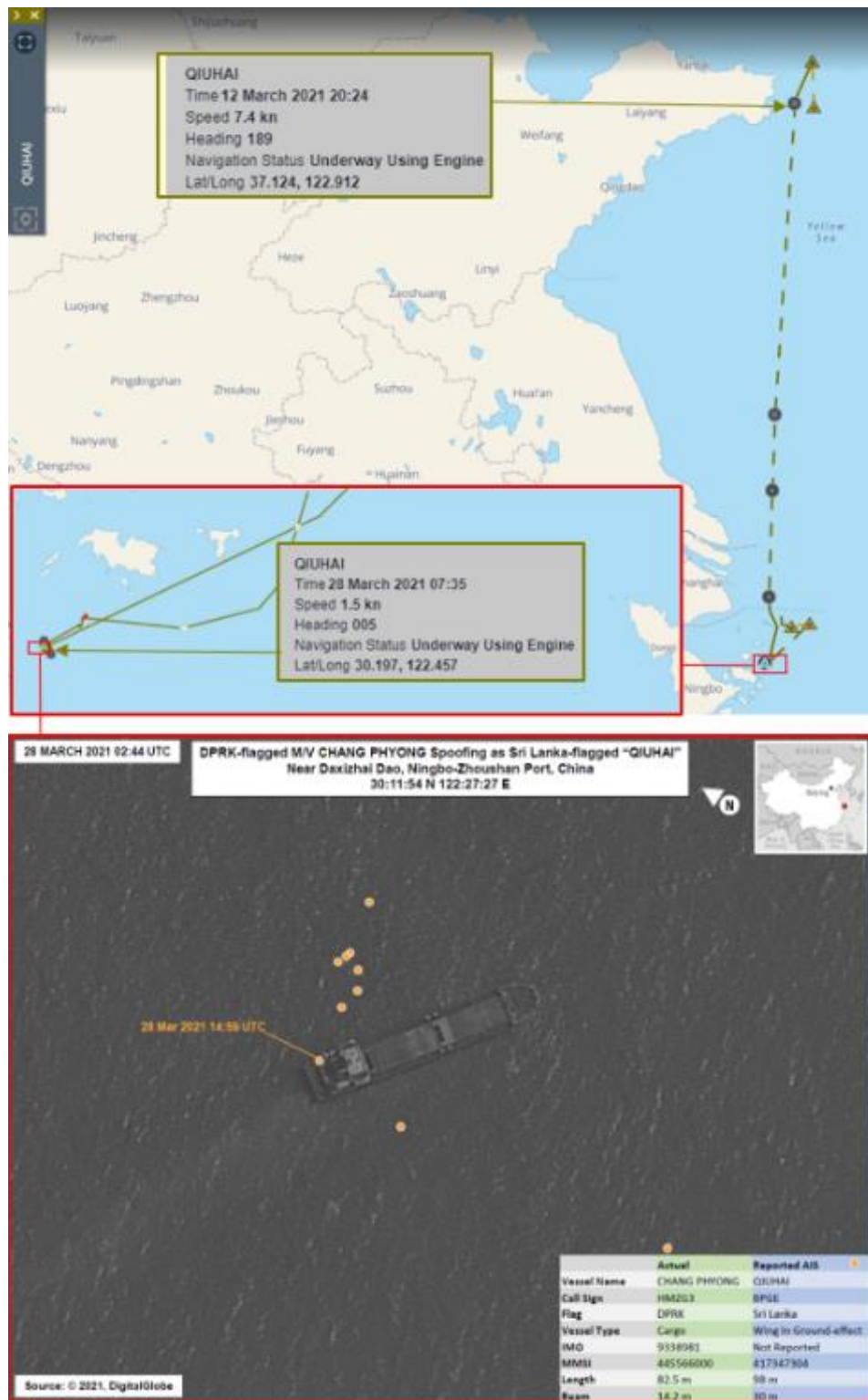
The CHANG PHYONG was reported by the Panel spoofing as the Sri Lanka-flagged QIUHAI in Ningbo-Zhoushan waters in March 2021¹¹⁹. The vessel returned to the same waters by June 2021, transmitting on the same falsified identifiers.

June 2021



¹¹⁹ S/2021/777, Annex 34.

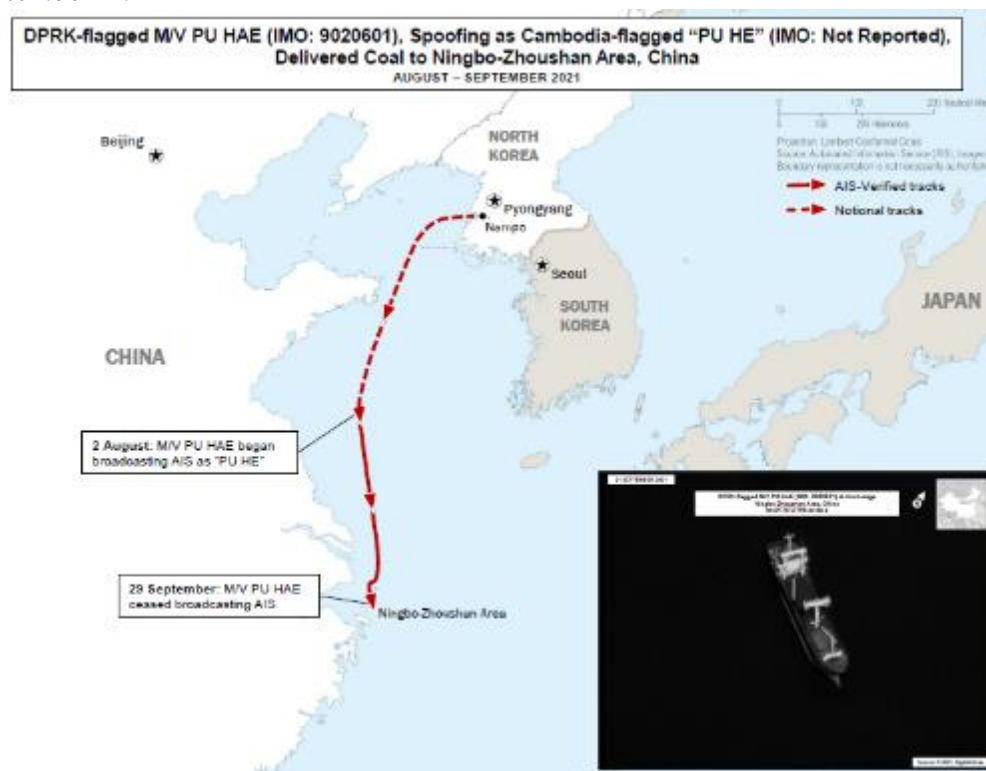
March 2021



Source: (map) Windward, annotated by the Panel, (satellite imagery) Member State.

Storyboard of DPRK-flagged vessel PU HAE (IMO: 9020601) transmitting false identifiers

August – September 2021



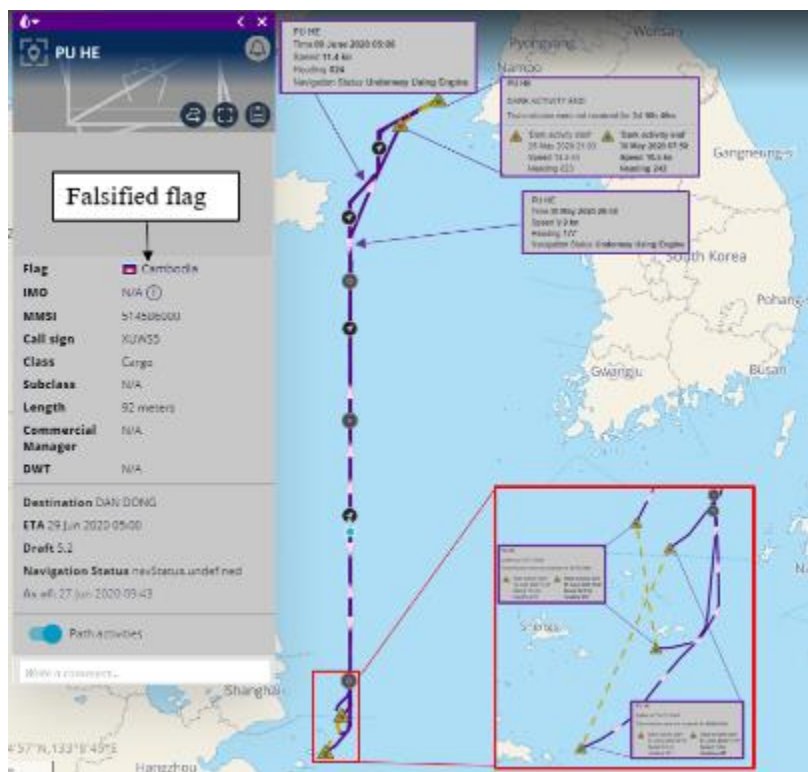
Source: Member State.

The Panel had previously tracked the DPRK-flagged PU HE, transmitting on falsified identifiers in Ningbo-Zhoushan waters in February 2020 before sailing towards the DPRK. The vessel appeared back in the Ningbo-Zhoushan area in May 2020 before sailing back towards the DPRK and repeating the voyage in June 2020.

April - May 2020



June 2020



Source: Windward, annotated by the Panel.

The Panel sought China's assistance in providing information concerning each of the above-mentioned vessels' presence in Chinese waters, the identifiers under which they were transmitting, their cargo, any ship-to-ship transfers conducted in Chinese waters with the type and amount of cargo offloaded, the identities of the receiving vessels along with the entities and individuals that owned and operated the receiving vessels, the end destinations of the offloaded coal cargo, along with shipping documentation and financial transactions.

China replied that "*There is no record of port calls in China for ASIA HONOR, CHANG PHYONG, and PU HAE in 2021.*"

Source: The Panel.

Annex 58: DPRK vessels exporting coal and subsequently arriving at various Chinese ports, 2021

The Panel had reported¹²⁰ on the DPRK vessels' export of coal via ship-to-ship transfers in Ningbo-Zhoushan waters and their subsequent loading of humanitarian aid cargo at Longkou port *en route* back to Nampo port. In 2021, other DPRK vessels continued to conduct similar round-trip voyages to export DPRK-origin coal in Ningbo-Zhoushan waters before calling at Chinese ports elsewhere, in apparent contravention of OP 9 of resolution 2097 (2017).

The following DPRK-flagged vessels are suspected to have exported DPRK origin-coal in Ningbo-Zhoushan waters and subsequently called at various Chinese ports, notably Longkou port and Laizhou port, between the months of August and October 2021. They included the following vessels:

DPRK-flagged vessels that transitioned from Ningbo-Zhoushan waters to Longkou port:

- (i) SU RYONG SAN (IMO: 9016430) (see also annex 51);
- (ii) PHO PHYONG (IMO: 8417962);
- (iii) SAMJIN 8 (IMO: 8810578);
- (iv) KANG HUNG (IMO: 9340257); and
- (v) UN HA (IMO: 8310281)

DPRK-flagged vessels that transitioned from Ningbo-Zhoushan waters to Laizhou port:

- (vi) TO MYONG (IMO: 9162318); and
- (vii) NORTHERN LUCK (IMO: 9061227)

The Panel sought China's assistance in providing information concerning each of the above-mentioned vessels' presence in Chinese waters, the identifiers under which they were transmitting, their cargo, any ship-to-ship transfers conducted in Chinese waters with the type and amount of cargo offloaded, the identities of the receiving vessels along with the entities and individuals that owned and operated the receiving vessels, the end destinations of the offloaded coal cargo, the ports areas where the vessels subsequently arrived at to load cargo along with the financial or other transactions involved.

China, in response to another letter on the presence of the vessels in Ningbo-Zhoushan waters carrying DPRK-origin coal dated, responded that "There is no record of port calls in China for vessels *KUM YA*, *HOE RYONG*, *FLOURIHING[sic]*, *MI YANG 5*, *NORTHERN LUCK*, *RYO MYONG*, *PEAK HAK SAN[sic]*, *BOUN 1*, *JANG AN*, *TONG SAN 2*, *TAE DONG GANG 9* and *TAE DONG GANG 3* in 2021. For vessels *ZAI ZHOU 2*, *TO MYONG*, *SAM JIN 8*, *NAN DAE CHON*, *KANG HUNG* and *UN HA*, they entered Yantai port empty-loaded, and left the port after loading chemical fertilizer, pesticide and other agricultural supplies." On the *PHO PHYONG*, China responded that the "*PHO PHYONG* entered Yantai port empty-loaded in September 2021 and left the port by loading general cargo in November 2021."

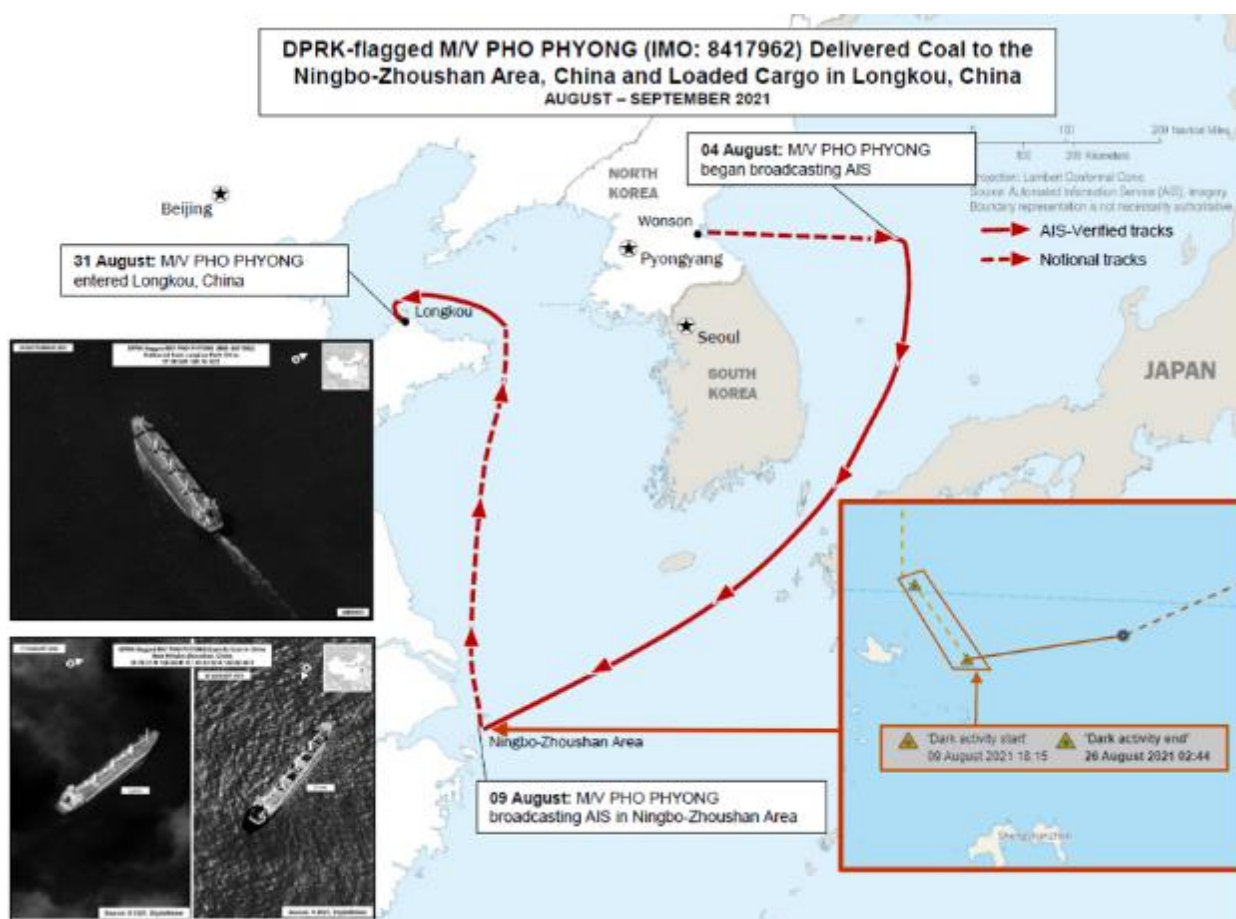
¹²⁰ S/2021/777, paras. 100-101 and S/2021/211, paras. 58, 63-64.

Ningbo-Zhoushan – Longkou port, China

PHO PHYONG (IMO: 8417962)

The DPRK-flagged PHO PHYONG departed Wonson, DPRK in early August 2021. Commercial AIS tracking information showed the vessel arrived in Ningbo-Zhoushan waters by 9 August 2021, where the vessel was observed on satellite imagery on 17 August laden. By 28 August, PHO PHYONG had offloaded its coal cargo in the same waters. The vessel then proceeded to Longkou port, China, by 16 September 2021.

The PHO PHYONG had been recommended by the Panel for designation for ship-to-ship transfer on 24 October 2018 in violation of paragraph 8 of resolution 2371 (2017)¹²¹.



¹²¹ S/2019/691, paras. 20 and 22 (c), and annex 5.



Source: Member State, (top inset map) Windward.

SAMJIN 8 (IMO: 8810578)

The DPRK-flagged SAMJIN 8 last transmitted on its own identifiers in April 2017. The vessel transmitted on a Comoros-associated MMSI prior to changing its identifier to SAMJIN 8 on 28 October 2021.

SAMJIN 8 has been the subject of past Panel reports when it was investigated for exporting DPRK-origin coal in Ningbo-Zhoushan waters in 2020, along with vessel's ownership and management history¹²².



¹²² S/2020/840, paras. 57-59 and annex 24.



Source: (top) Windward, annotated by the Panel, (bottom) Member State.

KANG HUNG (IMO: 9340257)

The DPRK-flagged KANG HUNG sailed towards Longkou port area by 9 October 2021 and was moored pier side by 25 October 2021. The vessel transmitted back at Nampo's West Sea Barrage quarantine area by 5 Nov 2021.

KANG HUNG was flagged under the DPRK as of May 2020 and was reported sold to an undisclosed buyer in July 2018¹²³. The vessel had also transmitted on its historical Jamaica-associated MMSI.



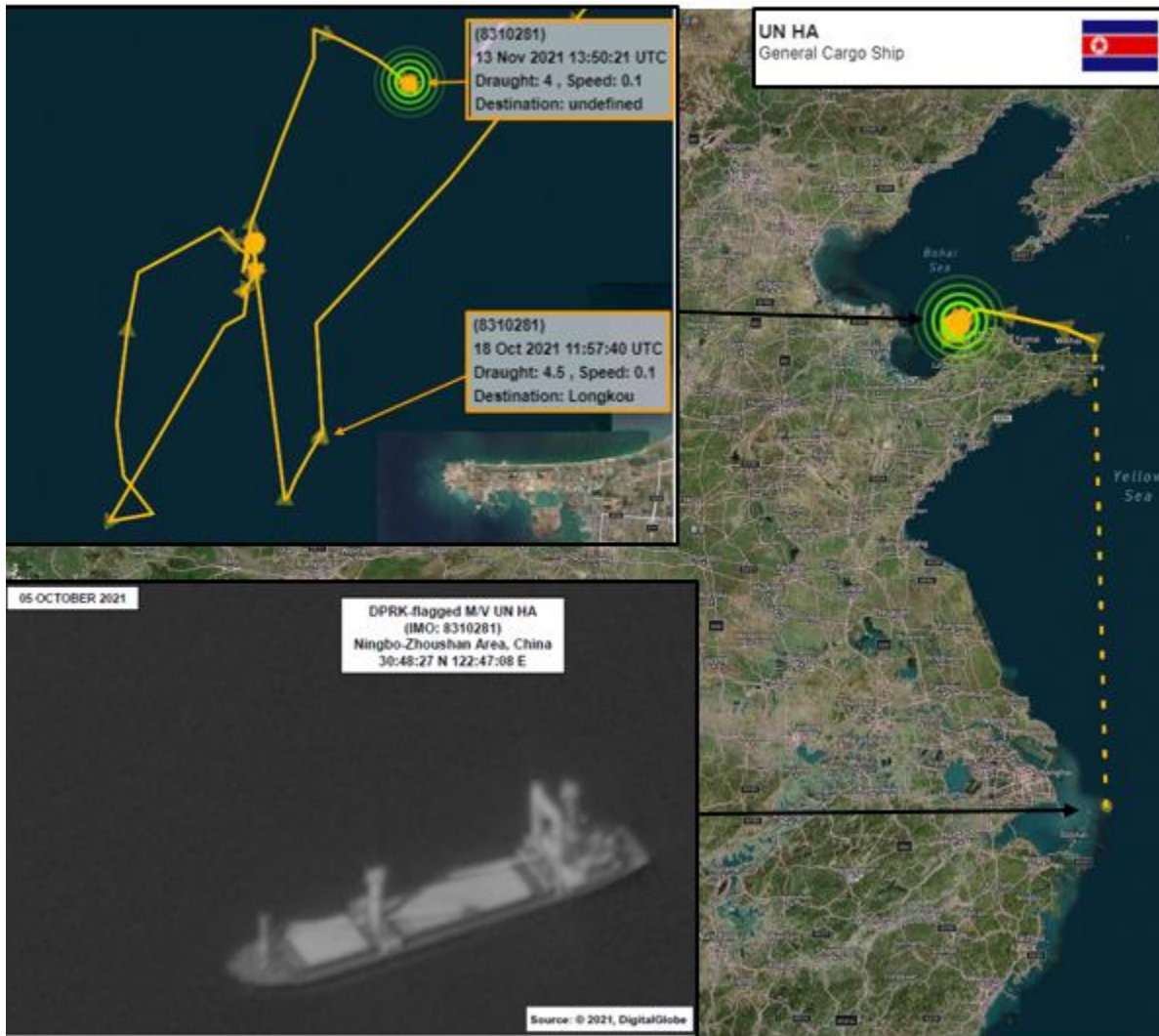
¹²³ IHS Markit.



Source: (top satellite imagery) Member State, (bottom), Windward, Google Earth and IHS Markit Seaweb, annotated by the Panel.

UN HA (IMO: 8310281)*

*The DPRK-flagged UN HA arrived by 26 September 2021 in Ningbo Zhoushan waters and was observed on satellite imagery on 5 October 2021. The vessel then proceeded to the Bohai Sea area by 18 October 2021 where it loitered off Longkou port until November 2021. It appeared the vessel may not have entered port and may have conducted ship-to-ship activity outside of port.



Source: IHS Markit Seaweb, annotated by the Panel (inset satellite imagery, Member State).

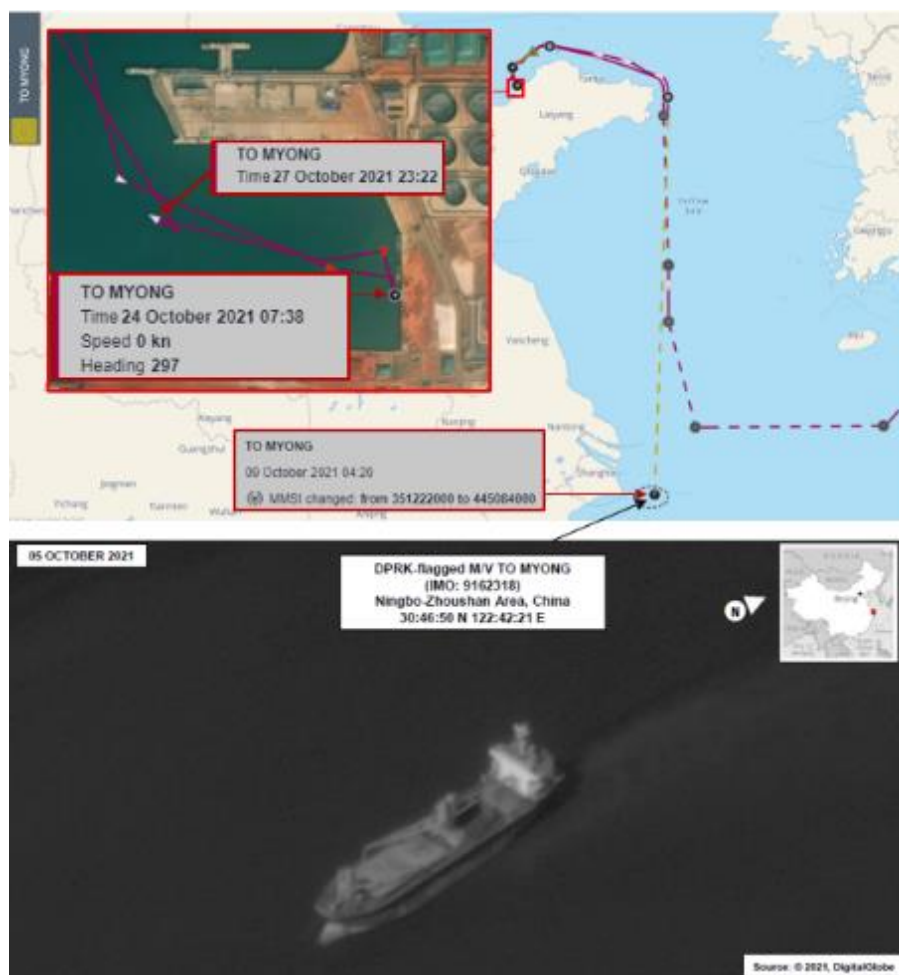
Ningbo-Zhoushan – Laizhou port, China

The following two DPRK-flagged vessels transitioned to Laizhou port, China, following their presence in Ningbo-Zhoushan waters, based on commercial maritime tracking information.

The DPRK-flagged TO MYONG was in Ningbo-Zhoushan waters by early October 2021 where it transmitted on different identifiers. The vessel dropped AIS signal on 9 October before retransmitting on 30 August as it sailed up the Yellow Sea towards Laizhou port. TO MYONG transmitted it was berthed pier side by 27 October 2021, before sailing out a day later.

TO MYONG was the formerly Sierra Leone-flagged KLAUSEN aka RI HONG, prior investigated by the Panel for exporting DPRK-origin coal in Ningbo-Zhoushan waters in 2020, along with vessel's ownership and management history¹²⁴. See also paragraph 90 of the main text and annex 50a. The Panel had recommended the RI HONG aka TO MYONG for designation pursuant to paragraph 11 of resolution 2375 (2017).

TO MYONG (IMO: 9162318)

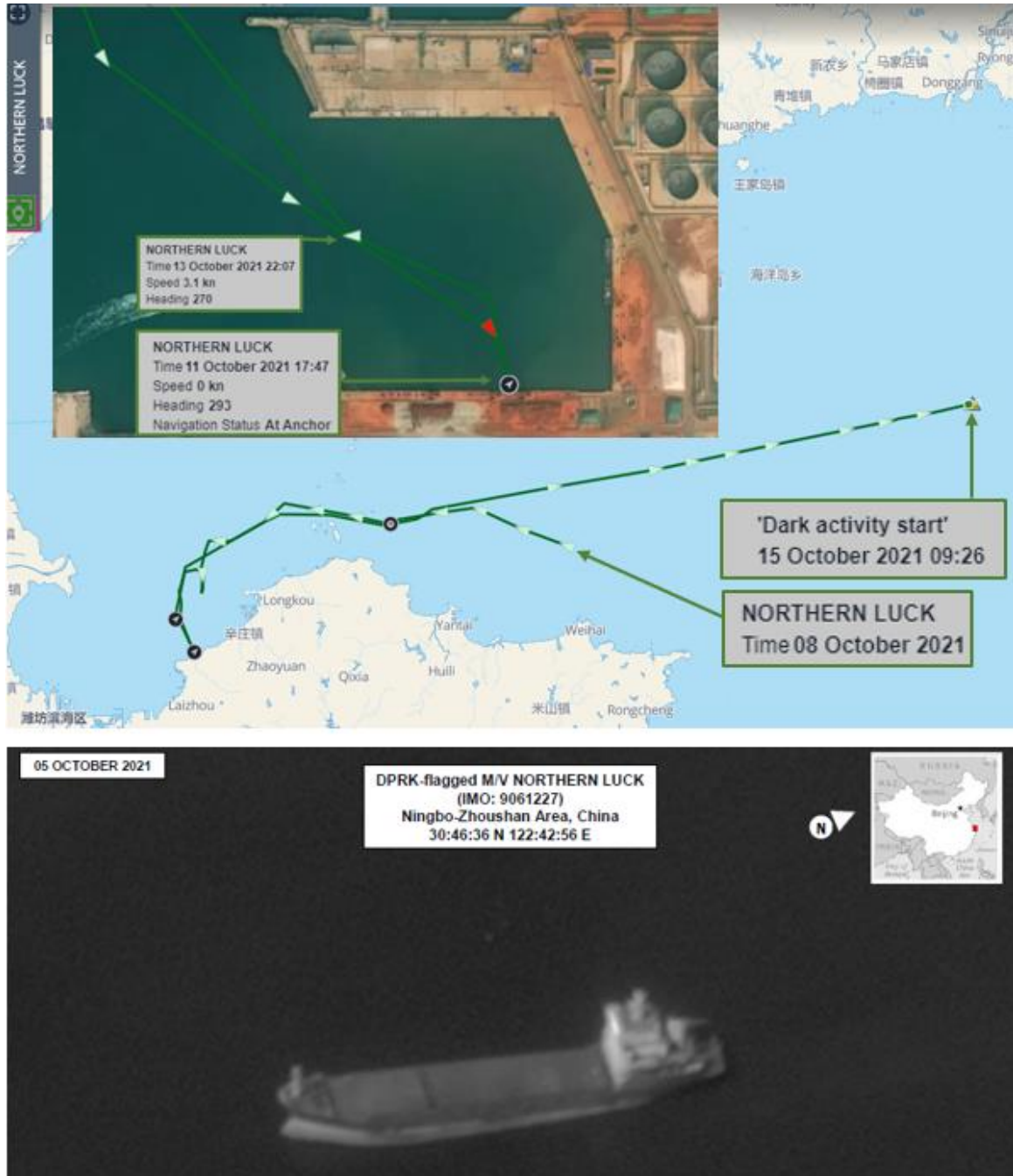


Source: (top) Windward, annotated by the Panel, (bottom) Member State.

¹²⁴ S/2020/840, paras. 57-59, 79 and annex 24; S/2021/211, paras. 70-72 and annex 38.

NORTHERN LUCK (IMO: 9061227)

The DPRK-flagged NORTHERN LUCK transmitted AIS signal on 8 October 2021 as it sailed towards Laizhou port, China. Prior to this, the vessel was at Dalian port on 10 July 2021 before it dropped AIS transmission for three months. NORTHERN LUCK transmitted it was berthed pier side by 11 October 2021, before sailing out two days later.



Source: (top) Windward, annotated by the Panel, (bottom) Member State.

Annex 59: DPRK-flagged TAE PHYONG 2 (fka MING ZHOU 6) (IMO: 8602763)

The Panel continued to track the DPRK-flagged TAE PHYONG 2 (previously MING ZHOU 6) on maritime databases.

As earlier reported¹²⁵, the DPRK acquired the vessel by late May 2020 following its sale for scrap by a Chinese company in May 2019. TAE PHYONG 2 was sold by Ningbo Shipping Co. Ltd on 14 May 2019 to a Chinese national, Su Jianpo through Zhousan Yige Ship Auction Co. Ltd. Su also signed a scrap steel ship sale contract with Ningbo Shipping Co. Ltd.

The DPRK is suspected to have acquired the vessel following a joint venture agreement with the DPRK-based Jinmyong Trading Corporation and the China-based Dandong Economic Cooperation Border Maritime Processing Company in November 2019. A second DPRK-based company, Mulgil Trading General Corporation, which has overseas offices in Dandong, China according to the same Member State, helped to facilitate the acquisition. A number of Chinese nationals are suspected to be involved in the acquisition and deliverance of the vessel to the DPRK.

China responded that¹²⁶ *“In May and June 2019, the registration of ownership and nationality certificate[s] of ‘Ming Zhou 6’ and ‘Fu Xing 12’ were cancelled, respectively. Since then, there has been no record of these vessels entering or leaving Chinese ports.”*

The Panel continues to investigate the vessel’s transition to the DPRK-flagged TAE PHYONG 2 and the individuals and entities involved in the process. The Panel continued to seek information from China on the outstanding queries with regards the vessel’s sale and purchase, individuals, entities and alleged joint venture with the DPRK.

Vessel voyage - Nampo - Longkou - Nampo

AIS data indicated that the vessel departed Nampo, DPRK, on 9 August 2021 for Longkou, China. The vessel berthed in two separate locations within the same port area in Longkou: between 13 to 21 August 2021 and between 21 to 26 August 2021, indicating a possible export and import of different cargos at the different berths. The Panel obtained satellite imagery showing the vessel with bagged cargo in its holds on 21 August 2021 (see figure 59-1). TAE PHYONG 2 was back at Nampo by 27 August 2021.

TAE PHYONG 2 was also at Longkou port earlier in the year in March 2021 (see figure 59-2).

¹²⁵ S/2021/211, paras. 70-72, and S/2021/777, paras. 80 and 102, and annex 39.

¹²⁶ S/2021/211.

Figure 59-1: DPRK-flagged TAE PHYONG 2 at different berths at Longkou port, China, August 2021

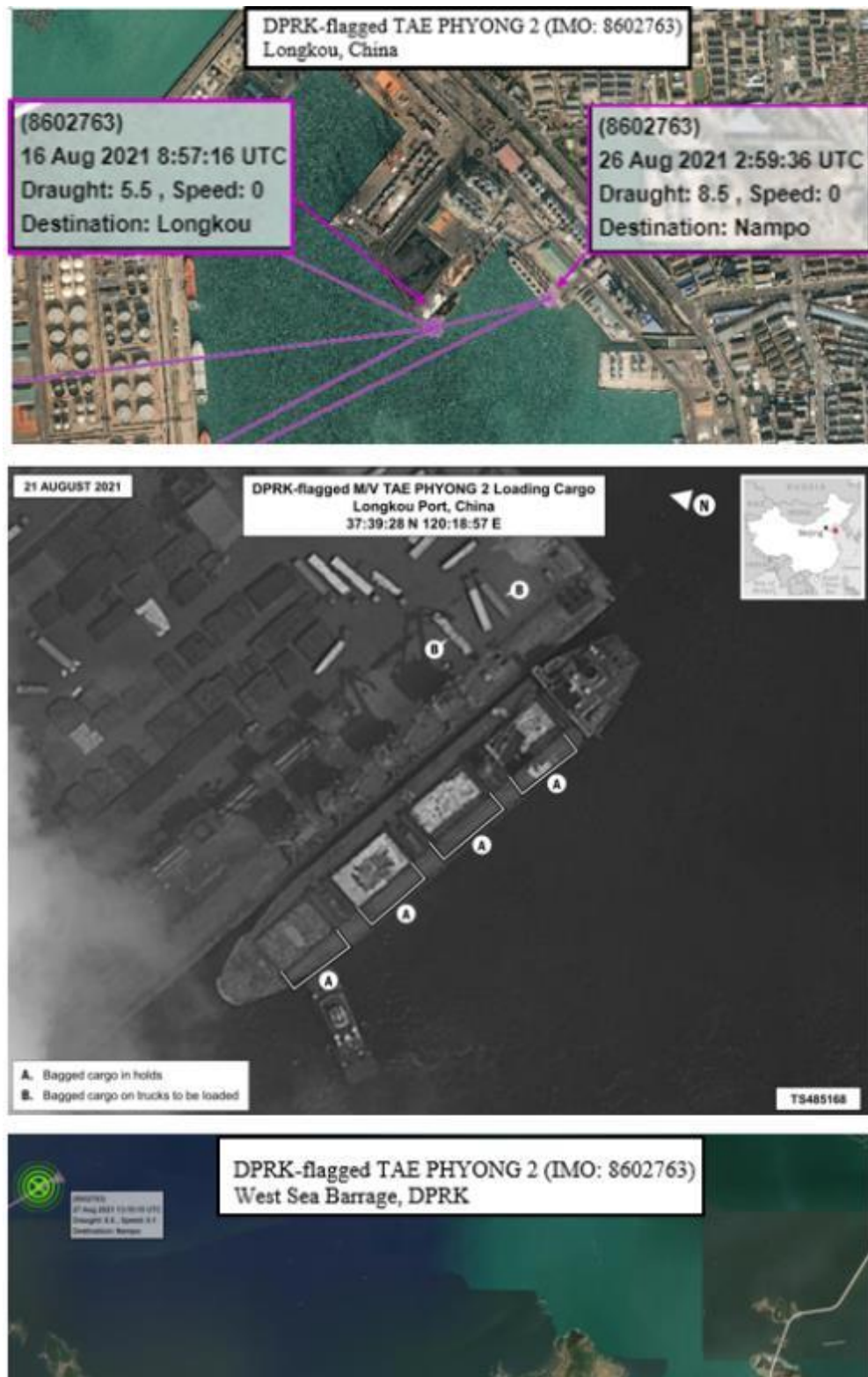


Figure 59-2: DPRK-flagged TAE PHYONG 2 Storyboard, February to March 2021



19 February 2021 – TAE PHYONG 2 laden near Ningbo-Zhoushan



8 March 2021 – TAE PHYONG 2 loading bagged cargo, Longkou port



Source: Windward, IHS Markit, Google Earth, annotated by the Panel, (satellite imagery) Member State.

The Panel sought China's assistance in providing information concerning the cargo(s) exported by TAE PHYONG 2 to Chinese port(s), the cargo(s) loaded onto the vessel, along with shipping documentation and financial or other transactions involved. China responded that the "*TAE PHYONG 2* entered Yantai port empty-loaded in March and August 2021 respectively, and left the port by loading fertilizer and other agricultural supplies in the same month."¹²⁷

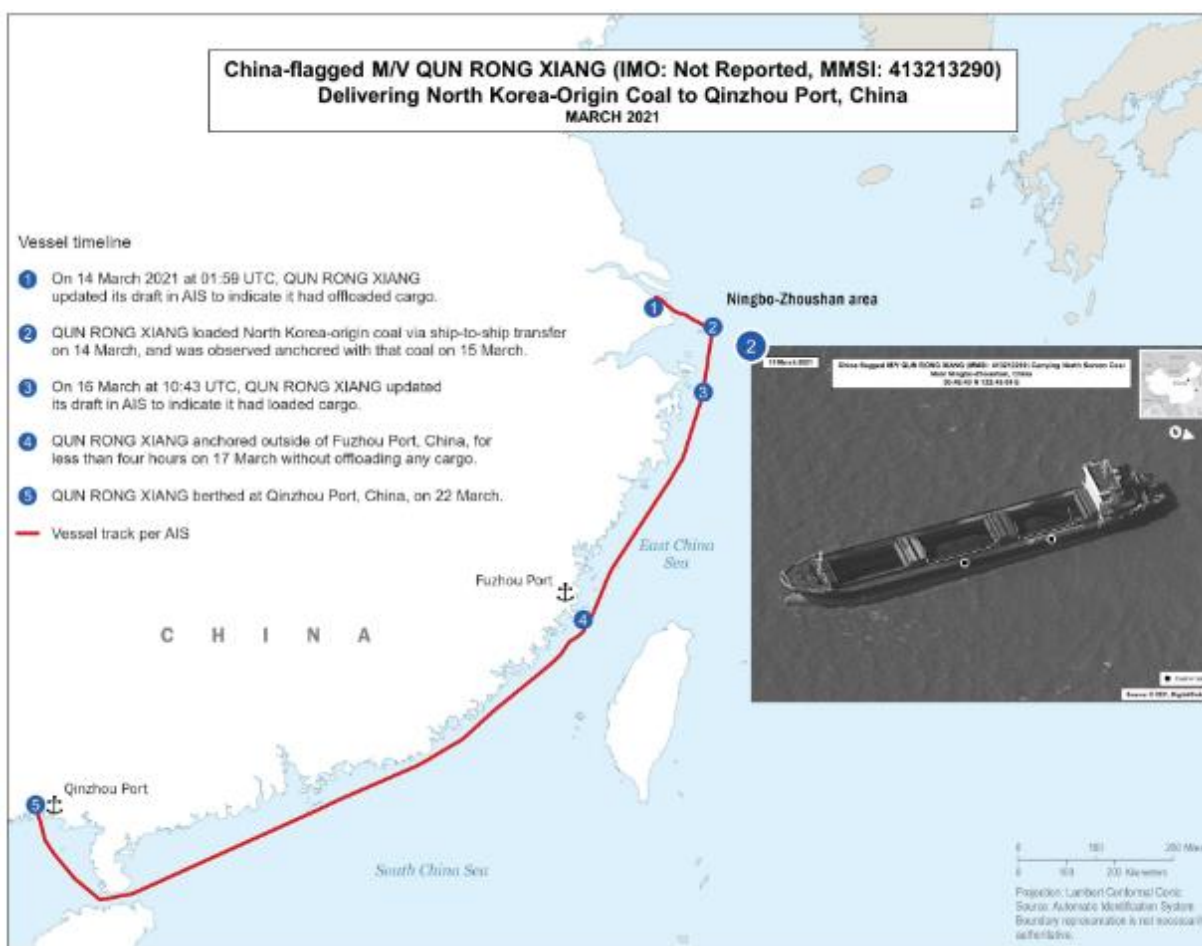
Source: The Panel.

¹²⁷ The TAE PHYONG (IMO: 9018751) and TAE PHYONG 2 (IMO: 8602763) are two different DPRK-flagged vessels. The Panel requested information on the TAE PHYONG 2 in this instance. The TAE PHYONG's last AIS transmission on commercial maritime databases was in May 2021. The Panel prior investigated the TAE PHYONG's (former GREAT WENSHAN) transition under the DPRK fleet in 2020, the vessel's subsequent and repeated transportation of DPRK-origin coal for export in Ningbo-Zhoushan waters, and its last known Chinese entities that owned and operated the vessel before it became DPRK-flagged (see S/2020/840, paras. 52-56, and S/2021/211, paras. 63-64).

Annex 60: QUN RONG XIANG (IMO: Not reported, MMSI: 413213290)

According to a Member State, the China-flagged QUN RONG XIANG (MMSI: 413213290) delivered DPRK-origin coal to Qinzhou port, China by 23 March 2021. The coal it transported was reported to have been transferred onto the QUN RONG XIANG by ship-to-ship transfer from DPKR vessels located in its vicinity on or around 14 March 2021 in the Ningbo-Zhoushan area, China (see figures 60-1 and 60-3).

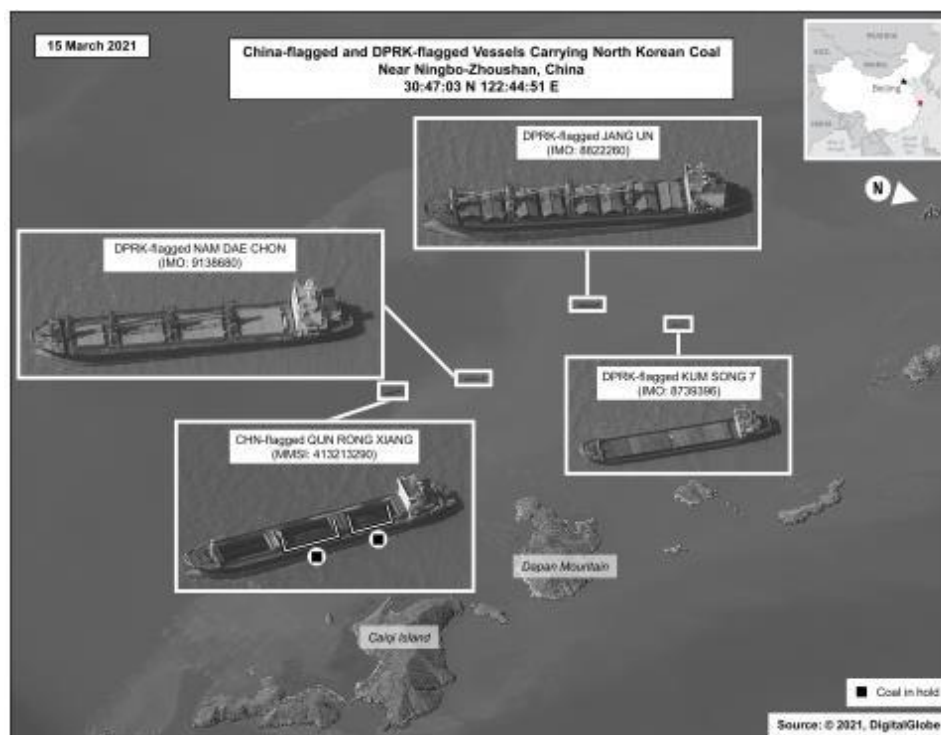
Figure 60-1: Storyboard of China-flagged QUN RONG XIANG delivery coal, Qinzhou port, China, March 2021



Source: Member State.

On 15 March 2021, the vessel was observed near three DPRK-flagged vessels just west of Caiqi Island, within Ningbo-Zhoushan Port (see figure 60-2).

Figure 60-2: QUN RONG XIANG in proximity of three DPRK vessels, Ningbo-Zhoushan, 15 March 2021



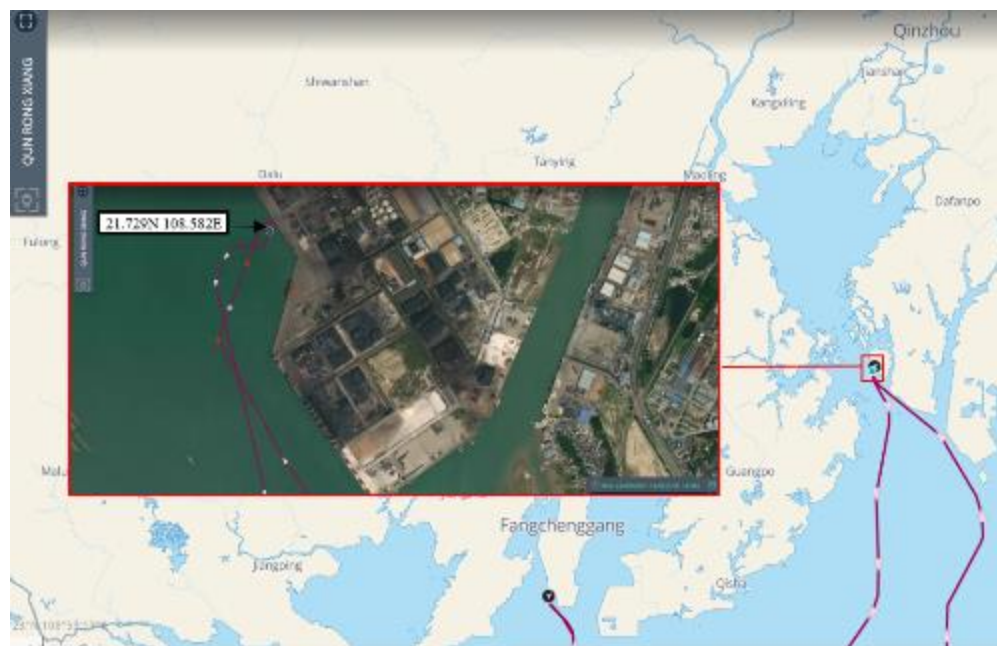
Source: Member State.

Prior to arriving in Ningbo-Zhoushan waters:

- The DPRK-flagged JANG UN (IMO: 8822260) loaded coal at Nampo Port on 16 February. The Panel has reported on the vessel's exports of DPRK-origin coal to Chinese waters dating back to 2018.
- The DPRK-flagged KUM SONG 7 (IMO: 8739396) loaded coal at Taean Port, DPRK, on 14 February 2021.
- The DPRK-flagged NAM DAE CHON (IMO: 9138680) loaded coal at Nampo Port, DPRK, on 10 February 2021. The Panel has reported on the vessel's exports of DPRK-origin coal dating back to 2018.

The Panel's information based on AIS tracking data, port analysis and information from past maritime investigations, is overall consistent with the data and information of the coal suspected to have been imported by HKGF. Based on the Panel's port analysis, on 22 March 2021, the QUN RONG XIANG berthed at Qinzhou Port's Legou Terminal, (see figure 60-3). The vessel, which sails a domestic route, registered a draft change of 7.0 to 4.0 the same day at Qinzhou port area, indicating an offload of cargo. The vessel made a number of other domestic port area calls since that date.

Figure 60-3: QUN RONG XIANG at Qinzhou port, China, 22 March 2021



Source: Windward, annotated by the Panel; Google Earth (inset satellite imagery as representative of the port location not by actual date; AIS signal overlay as on 22 March 2021).

The Panel sought China's assistance including, *inter alia*, confirmation of the Chinese vessel's identifiers, information on the vessels' activities during and around the dates of the investigative period, relevant shipping and customs documentation as it relates to the vessels' cargo, entities and individuals that owned and operated the vessels, and those that imported the coal cargo.

The Panel additionally sought confirmation of the presence of the DPRK-flagged vessels, the identifiers these vessels were transmitting, and information concerning any ship-to-ship transfers and / or cargo off-loaded from these vessels in Chinese territorial waters, shipping documentation and financial transactions, and any resulting actions taken.

China responded that ““*The investigations into ... QUN RONG XIANG are still underway, and we do not have information to share at the current stage.*”

Source: The Panel.

Annex 61: Networks

The Panel's investigations into the sale of the SU RYONG SAN (IMO: 9016430) to the DPRK, datapoints drawn from previous Panel investigations, publicly available information and information obtained, indicated that HongKong Great Fortune Development Co. Limited (香港吉運(运)發(发)展有限公司) (hereafter "HKGF"), a Hong Kong-incorporated entity was engaged in the following sanctions violation activities:

A) Vessel sale – involvement in the transition of the then Dominica-flagged vessel CJK OSAKA to DPRK-flagged vessel SU RYONG SAN (IMO: 9016430)

HKGF was listed as the last owner and operator of the vessel sailing as CJK OSAKA, before it was re-flagged under the DPRK in October 2020, sailing as SU RYONG SAN.

The Panel additionally obtained information that HKGF is alleged to have invested in DPRK ships (either through joint maintenance, operation, or other associations).

B) Import of DPRK-origin coal from a DPRK entity

HKGF is alleged to have imported into China of a total between 100,000 to 200,000 metric tons (MT) of DPRK-origin coal from the DPRK entity Yonggwang Furniture and Building Materials Corporation 영광가구건재회사 (Yonggwang Furniture Building Materials Corporation) aka 영광가구합영회사 (Yonggwang Furniture Joint Venture Company) – hereafter "Yonggwang".

C) Shipments importing DPRK-origin coal on DPRK-flagged vessels

The Panel has been tracking DPRK vessels engaged in the export of DPRK-origin coal primarily through ship-to-ship transfers in Ningbo-Zhoushan waters¹²⁸. "Yonggwang" was alleged to have agreed to ship the following to HKGF, based on information obtained from a Member State:

- DPRK-origin coal aboard the DPRK-flagged JANG UN (IMO: 8822260)¹²⁹;
- DPRK-origin coal aboard the DPRK-flagged KUM SONG 7 (IMO:8739396)¹³⁰; and
- DPRK-origin coal aboard the DPRK-flagged RYON HWA 3¹³¹ (IMO: 8312227).

All these ships have been known to off-load their coal cargo via ship-to-ship transfers in Ningbo-Zhoushan waters to Chinese coastal vessels.

While commercially available AIS data indicated the JANG UN and KUM SONG 7 had not transmitted on their AIS profiles in several years, these vessels were nonetheless captured on satellite imagery in March 2021 in Ningbo-Zhoushan waters near the QUN RONG XIANG, a Chinese cargo vessel

¹²⁸ See Sectoral and Maritime section of Panel reports. Latest Panel report is issued as S/2021/777.

¹²⁹ Containing approximately 20,000 MT of DPRK-origin coal, valued at \$88 per MT.

¹³⁰ Containing approximately 5,000 MT of DPRK-origin coal.

¹³¹ Containing approximately 6,000 MT of DPRK-origin coal.

investigated by the Panel in 2020. The Panel had withheld the said vessel's identifiers and case write up in view China's response not to include information related to the vessels, to avoid interrupting its investigations and law enforcement¹³².

The Panel also sought China's assistance, *inter alia*, into the Chinese entities and individuals arranging the DPRK-origin coal to be transferred to the QUN RONG XIANG. China responded to the Panel in 2021 that it was conducting its investigations and did not have information to share then. Further to the Panel follow up enquiry on the status of China's investigations, China responded in 2022 that it had no information on the QUN RONG XIANG.

According to commercial AIS tracking platforms, the RYONG HWA 3 had transmitted in various Chinese port areas in 2021. The vessel was reported to have offloaded DPRK-origin coal in Ningbo-Zhoushan waters, including in May 2020 (see figure 61-1). It was back in the same waters in August 2021 and was observed to have run aground in Ningbo-Zhoushan a month later in September 2021 (see figure 61-2).

Figure 61-1: RYONG HWA 3 in Ningbo-Zhoushan, 7 May 2020, and at Longkou port, 27 March 2021

May 2020 at Ningbo-Zhoushan, China



¹³² S/2021/777, paras. 96-98.

March 2021 at Longkou port, China



Source: (top) Member State and (bottom) the Panel.

Figure 61-2: RYON HWA 3 outside Nampo, DPRK in August 2021 and grounded, Ningbo-Zhoushan, China in September 2021





Source: (top) Member State, (bottom) Maxar Technologies, annotated by the Panel.

C) Barter trade in exchange for DPRK-origin coal

In exchange for the above-mentioned coal shipments, HKGF reportedly agreed to pay an advance payment and to send two shipments of fertilizer to the DPRK. The Panel notes that payment via barter is a common sanctions evasion tactic in order to avoid funds transferred recorded in the international financial system. The DPRK is further known to operate a ledger system whereby it can continue to procure items abroad, including for its prohibited missile and nuclear programs.

These shipments were conducted in two parts; one was to be transferred to the DPRK-flagged TAE YANG (IMO: 8306929), with the remaining amount transferred to another vessel before 25 March 2021.

The Panel's previous investigations show that the TAE YANG transported DPRK-origin coal for export and has also not transmitted on its AIS profile in years. The vessel has also been known to spoof other vessel identifiers in attempts to obfuscate its identity. TAE YANG was reported in 2019 MTR as having off-loaded coal on 25 Oct 2019 via ship-to-ship transfer to Lighter "D"¹³³. The said DPRK-origin coal was off-loaded at Qisha port, China, by 17 December 2019 and was recommended by the Panel for designation.

TAE YANG was formerly operated by Hua Heng Shipping Limited, which also formerly operated a number of DPRK vessels, including the KO SAN, which the Panel had reported as transporting DPRK-origin coal to Ningbo-Zhoushan waters and proceeding to pick up humanitarian aid cargo at Longkou in 2020. Hua Heng Shipping is associated with LI Anshan, an individual affiliated with Ocean Maritime Management Company Limited (OMM)¹³⁴. Ocean Maritime Management Company (OMM), inter alia,

¹³³ S/2019/691, paras. 20, 22 (d).

¹³⁴ S/2016/157, S/2017/150.

had played a key role in arranging the shipment of concealed cargo of arms and related material on-board the CHONG CHON GANG (IMO: 7937317) from Cuba to the DPRK in July 2013¹³⁵.

D) Export of UNSC-restricted and banned items to the DPRK

HKGF is also alleged to have engaged in sanctioned activities with the DPRK in 2019 and 2020, in which it had reportedly sold and shipped items, including steel, fuel, and transportation- and construction-related vehicles.

The Panel has demonstrated in its reports a continuation of unreported refined petroleum illicitly shipped to the DPRK. The Panel is also aware that the transfer of banned items and equipment including vehicles have been exported to the DPRK onboard China-flagged costal barges in 2020.

The Panel sought extensive information from HKGF including, inter alia, the company's business activities, beneficial and shareholder information, associations with other entities of interest including DPRK linkages, shipping documentation, vessel ownership and sale, cargo and maritime trading information as it relates to the Panel's investigations.

The Panel sought China's assistance on information on the presence of all of the above-mentioned vessels in Chinese territorial waters, including the DPRK vessels, SU RYONG SAN and the grounding of RYON HWA 3, along with information Chinese authorities possess of the status of the vessel and investigations conducted into the vessel's off-loading of coal, the receiving vessels involved in the ship-to-ship transfer of the coal cargo, and the entity(s) and individual(s) engaged in the procurement process. The Panel also sought assistance on HKGF and its incorporation, the registered owner a Chinese national, Mr Li, and the beneficial owners behind the entity along with any companies also registered in mainland China. The Panel also sought updates on the China-flagged coastal barge QUN RONG XIANG that was within the vicinity of the DPRK-flagged vessels in March 2021, the entities and individuals associated with the QUN RONG XIANG, those that imported the DPRK-origin coal into China, and outcome of its authorities' investigations.

HKGF has yet to respond.

¹³⁵ S/2014/147, S/2015/131, S/2016/157.

On HKGF, China responded:

(12) OC.380

The Chinese side has no information of Hong Kong Great Fortune Development Co.,Ltd at the moment.

China has on many occasions openly reiterated its solemn position against ship-to-ship transfers and its commitment to cracking down on such violation of provisions in accordance with law, which itself serves as a deterrent to such activities. As far as we know, the DPRK-related ships coming to China are loaded with agricultural supplies and daily groceries, which are necessary for the DPRK to develop its agriculture and ensure people's livelihood. Some countries are obsessed with monitoring the DPRK's normal activities, yet refuse to make more efforts to break the stalemate in peace talks and promote the political settlement of the Peninsula issue. This is like putting the cart before the horse. We hope the Panel will have a clear understanding in this regard, and not focus on the trivial while evading the important.

At the same time, China noted with concern that the Panel have simply copied information provided by some individual countries without verification. Such information, which is seriously out of date and inaccurate, cannot offer any basis for meaningful investigation. If the information that could not be fully verified are included by the Panel into the report, it will only politicize technical issues, affect its cooperation with China, and even undermine its own credibility. We hope the Panel will be more prudent and responsible in carrying out its mandate, and not include such information in its report.

Source: The Panel.

Annex 62: List of HS codes the Panel applies for the monitoring of sectoral ban

Below is the list of HS codes assigned for each category of goods under sectoral ban by relevant UN Security Council resolutions. This list supersedes S/2018/171 annex 4 as amended by S/2018/171/Corr.1. See <https://www.un.org/securitycouncil/sanctions/1718/prohibited-items> for the complete list of prohibited goods and Implement Assistance Notes.

a. Items prohibited from being exported to the DPRK

±

Item	HS Codes	Description	Resolutions
Condensates and natural gas liquids	2709	Oils; petroleum oils and oils obtained from bituminous minerals	Para. 13 of res. 2375 (2017)
	2711	Petroleum gases and other gaseous hydrocarbons	
Industrial machinery	84	Nuclear reactors, boilers, machinery and mechanical appliances; parts thereof	Para. 7 of res. 2397 (2017)
	85	Electrical machinery and equipment and parts thereof; sound recorders and reproducers; television image and sound recorders and reproducers, parts and accessories of such articles	
Transportation vehicles ¹	86	Railway, tramway locomotives, rolling-stock and parts thereof; railway or tramway track fixtures and fittings and parts thereof; mechanical (including electro-mechanical) traffic signaling equipment of all kinds	Para. 7 of res. 2397 (2017)
	87	Vehicles; other than railway or tramway rolling stock, and parts and accessories thereof	
	88	Aircraft, spacecraft and parts thereof ²	
	89	Ships, boats and floating structures	
Iron, steel and other metals	Chapters 72-83		Para. 7 of res. 2397 (2017)
	72	Iron and steel	
	73	Articles of iron or steel	
	74	Copper and articles thereof	
	75	Nickel and articles thereof	
	76	Aluminum and articles thereof	
	77	Reserved for possible future use	
	78	Lead and articles thereof	
	79	Zinc and articles thereof	
	80	Tin and articles thereof	
	81	Other base metals; cermets ; articles thereof	
	82	Tools, implements, cutlery, spoons and forks, of base metal; parts thereof of base metal	
	83	Miscellaneous articles of base metal	

¹ Pursuant to paragraph 30 of resolution 2321 (2016) and paragraph 14 of resolution 2397 (2017), States shall prevent the direct or indirect supply, sale or transfer to the DPRK, through their territories or by their nationals, or using their flag vessels or aircraft, and whether or not originating in their territories, of new helicopters, new and used vessels, except as approved in advance by the Committee on a case-by-case basis.

² Shall not apply with respect to the provision of spare parts needed to maintain the safe operation of DPRK commercial civilian passenger aircraft (currently consisting of the following aircraft models and types: An-24R/RV, An-148-100B, Il-18D, Il-62M, Tu-134B-3, Tu-154B, Tu-204-100B, and Tu-204-300).

b. Items prohibited from being imported from the DPRK

Item	HS Codes	Description	Resolutions
Coal	2701	Coal; briquettes, ovoids and similar solid fuels manufactured from coal	Para. 8 of 2371 (2017)
Iron Ore	2601	Iron ores and concentrates, including roasted iron pyrites	
Iron	Chapter 72	Iron and steel products (7201-7229)	
Iron and Steel products	Chapter 73	Iron and steel products (7301-7326)	
Gold	261690	Gold ores and concentrates	Para. 30 of 2270 (2016)
	7108	Gold (incl. put plated), unwrought, semi-manufactured forms or powder	
	710811	Gold powder, unwrought	
	710812	Gold in other unwrought forms	
	710813	Gold in other semi-manufactured forms	
	710820	Monetary gold	
Titanium	2614	Titanium ores and concentrates	Para. 28 of 2321 (2016)
Vanadium	2615	Vanadium ores and concentrates	
Rare Earth Minerals	2612	Uranium or thorium ores and concentrates [261210 and 261220]	
	2617	Ores and concentrates, [Nesoi code 261790 - Other Ores and Concentrates]	
	2805	Alkali metals etc., rare-earth metals etc., mercury	
	2844	Radioactive chemical elements & isotopes etc.	
Copper	Chapter 74	Copper and articles thereof (7401-7419)	
	2603	Copper ores and concentrates	
Zinc	Chapter 79	Zinc and articles thereof (7901-7907)	
	2608	Zinc ores and concentrates	
Nickel	Chapter 75	Nickel and articles thereof (7501-7508)	
	2604	Nickel ores and concentrates	
Silver	2616100	Silver ores and concentrates	Para. 9 of 2371 (2017)
	7106, 7107	Silver unwrought or semi manufactured forms, or in powdered forms; base metals clad with silver, not further worked than semi-manufactured	
	7114	Articles of goldsmiths or silversmiths' wares or parts thereof, of silver, whether or not plated or clad with other precious metal	
Seafood (incl fish, crustaceans, mollusks, and other aquatic invertebrates in all forms)	Chapter 3	Fish and crustaceans, molluscs and other aquatic invertebrates (0301-0308)	Para. 10 of 2371 (2017)
	1603	Extracts and juices of meat, fish or crustaceans, molluscs or other aquatic invertebrates)	
	1604	Prepared or preserved fish; caviar and caviar substitutes prepared from fish eggs	
	1605	Crustaceans, molluscs and other aquatic invertebrates, prepared or preserved	
Lead	Chapter 78	Lead and articles thereof (7801-7806)	Para. 10 of 2371 (2017)
Lead ore	2607	Lead ores and concentrates	

Textiles (including but not limited to fabrics and partially or fully completed apparel products)	Chapters 50-63		Para. 16 of 2375 (2017)
	50	Silk, including yarns and woven fabrics thereof	
	51	Wool, fine or coarse animal hair, including yarns and woven fabrics thereof; Horsehair yarn and woven fabric	
	52	Cotton, including yarns and woven fabrics thereof	
	53	Vegetable textile fibers nesoi; Yarns and woven fabrics of vegetable textile fibers nesoi and paper	
	54	Manmade filaments, including yarns and woven fabrics thereof	
	55	Manmade staple fibers, including yarns and woven fabrics thereof	
	56	Wadding, felt and nonwovens; Special yarns; Twine, cordage, ropes and cables and articles thereof	
	57	Carpets and other textile floor covering	
	58	Fabrics; special woven fabrics, tufted textile fabrics, lace, tapestries, trimmings, embroidery	
	59	Textile fabrics; impregnated, coated, covered or laminated; Textile articles of a kind suitable for industrial use;	
	60	Knitted or crocheted fabrics	
	61	Apparel and clothing accessories; knitted or crocheted;	
	62	Apparel and clothing accessories; <i>not</i> knitted or crocheted;	
	63	Textiles, made up articles; sets; worn clothing and worn textile articles; rags	
Agricultural products	07	Vegetables and certain roots and tubers; edible	Para. 6 of resolution 2397 (2017)
	08	Fruit and nuts, edible; peel of citrus fruit or melons	
	12	Oil seeds and oleaginous fruits; miscellaneous grains, seeds and fruit, industrial or medicinal plants; straw and fodder	
Machinery	84	Nuclear reactors, boilers, machinery and mechanical appliances; parts thereof	Para. 6 of resolution 2397 (2017)
Electrical equipment	85	Electrical machinery and equipment and parts thereof; Sound recorders and reproducers; television image and sound recorders and reproducers, parts and accessories of such articles	
Earth and stone including magnesite and magnesia	25	Salt; sulphur; earths, stone; plastering materials, lime and cement	
Wood	44	Wood and articles of wood; wood charcoal	
Vessels	89	Ships, boats and floating structures	

c. For paragraphs 4 and 5 of resolution 2397 (2017), the Panel uses the following HS codes. The Panel notes that annual caps are placed for the two items below.

- HS 2709 : crude oil [cap: 4 million barrels or 525,000 tons]
- HS 2710, HS 2712 and HS 2713 : refined petroleum products [cap: 500,000 barrels]

Annex 63: Comparative table of bilateral trade with DPRK: Jan-Sept 2021¹³⁶

As of January 2022
* Unit : Thousand USD

No.	Member State (MS)	Trade Volume w/ DPRK		Restricted HS Code Trade w/ DPRK		MS's Reply
		Export to	Import from	Export to	Import from	
1	Armenia, Republic of	0	18		1(HS Code 12) 1(HS Code 84) 3(HS Code 85)	Inaccuracy of data due to technical error in the declaration of goods / origin of items are ROK and Japan
2	Barbados	200	951		22(HS Code 61) 1(HS Code 63) 581(HS Code 84) 274(HS Code 85)	
3	Belgium	0	203		15(HS Code 73)	
4	Belize		14		14(HS Code 84)	
5	Benin	0	41			Nothing Applicable / No cases
6	Bolivia, Plurinational State of	0	20			Nothing Applicable / No cases
7	Bosnia and Herzegovina	0	16		5(HS Code 84) 4(HS Code 85)	
8	Brazil, Federative Republic of	564	97	539(HS Code 2710)	2(HS Code 61)	
9	Bulgaria, Republic of	0	4		1(HS Code 85)	Technical mistake in the customs declaration / items imported from ROK
10	Cabo Verde, Republic of	0	110			Nothing Applicable / No cases
11	Cambodia, Kingdom of	453	61		41(HS Code 72)	Investigations underway
12	Canada	0	52		2(HS Code 72)	actual country the goods originated from was the ROK, and was inaccurately reported to ITC
13	Chile	36	0			Nothing Applicable / No cases
14	China, People's Republic of	151,739	33,595	2229(HS Code 2710) 48(HS Code 2712) 3292(HS Code 2713)	2442(HS Code 50) 19(HS Code 62) 11388(HS Code 72) 7(HS Code 85)	Silk (HS Code 50) is raw material not textile / Ferroalloys (HS Code 72) is different from iron and iron ore / Women's Clothing (HS Code 62) and Electrical Equipment (HS Code 85) are from ROK, mistakenly declared

¹³⁶ See para. 126 of the main text.

No.	Member State (MS)	Trade Volume w/ DPRK		Restricted HS Code Trade w/ DPRK		MS's Reply
		Export to	Import from	Export to	Import from	
15	Colombia, Republic of	21	84		3(HS Code 73) 1(HS Code 52) 8(HS Code 56) 2(HS Code 61) 36(HS Code 84)	
16	Costa Rica, Republic of	26	240			Nothing Applicable / No cases
17	Croatia, Republic of	0	16		16(HS Code 87)	Declaration error / Country of origin was ROK
18	Denmark, Kingdom of	0	99		5(HS Code 59)	Country code input error / Country of origin was ROK
19	Ecuador	0	13			Nothing Applicable / No cases
20	El Salvador	0	817		38(HS Code 84)	
21	Eswatini, Kingdom of	0	12		1(HS Code 61) 2(HS Code 84)	due to declarants inability to differentiate between DPRK and ROK / supplier was ROK
22	Ethiopia, Federal Democratic Republic of	267	1,049		562(HS Code 72) 207(HS Code 79) 51(HS Code 84) 59(HS Code 85)	
23	Fiji, Republic of	87	594	2(HS Code 84) 43(HS Code 72)	332(HS Code 72) 169(HS Code 73) 9(HS Code 55) 15(HS Code 60)	
24	Finland, Republic of	0	6			Nothing Applicable / No cases
25	Georgia	0	11			Nothing Applicable / No cases
26	Germany, Federal Republic of	16	1			Nothing Applicable / No cases
27	Greece	2	0			Nothing Applicable / No cases
28	Hungary	0	1		1(HS Code 85)	Country code input error
29	Indonesia, Republic of	0	259		5(HS Code 73) 39(HS Code 84) 30(HS Code 85)	Interpret UNSCR does not prohibit DPRK exports of items under HS Code 73 / investigations on other trade items underway
30	Italy, Republic of	0	6		1(HS Code 84)	Supplier was UK company (UK : could not identify any imports from the DPRK)

No.	Member State (MS)	Trade Volume w/ DPRK		Restricted HS Code Trade w/ DPRK		MS's Reply
		Export to	Import from	Export to	Import from	
31	Luxembourg	12	0	1(HS Code 84) 9(HS Code 85)		Encoding errors / goods were destined for the ROK
32	Madagascar, Republic of	0	176		1(HS Code 84) 3(HS Code 63)	
33	Namibia, Republic of	0	6		4(HS Code 84) 2(HS Code 85)	
34	Netherlands, Kingdom of the	413	33		1(HS Code 52)	
35	Niger	0	66		62(HS Code 85)	
36	Poland, Republic of	116	85			Nothing Applicable / No cases
37	Romania	0	1		1(HS Code 73)	Authorities have not confirmed the transfer of iron and steel products from DPRK
38	Russian Federation	0	2		1(HS Code 84)	
39	Seychelles, Republic of	0	1,156		726(HS Code 72) 11(HS Code 84)	Data inaccurate / items under HS Code 72, 84, 85 have been imported
40	Slovak Republic	0	6			Nothing Applicable / No cases
41	South Africa, Republic of	61	39	5(HS Code 84) 7(HS Code 73)	7(HS Code 56) 7(HS Code 84) 16(HS Code 85)	
42	Spain	256	68	231(HS Code 84) 2(HS Code 85)	1(HS Code 58) 40(HS Code 84) 26(HS Code 85) 1(HS Code 63)	
43	Thailand, Kingdom of	1,637	78	2(HS Code 74)	19(HS Code 84) 12(HS Code 85)	Some declaration forms were misfiled as the country of destination and origin to/from the DPRK, but are now amended
44	Turkey, Republic of	49	538		41(HS Code 72) 10(HS Code 73) 45(HS Code 84) 212(HS Code 85) 187(HS Code 55)	Inadvertent errors during declaration / country of origin was other countries such as the ROK
45	United Kingdom of Great Britain and Northern Ireland	0	1536		5(HS Code 73) 1503(HS Code 84) 9(HS Code 85)	Inaccurate submission of country code / all trade confirmed to be with the ROK
46	Zambia, Republic of	1085	5585	1085(HS Code 84)	13(HS Code 84) 19(HS Code 85)	
Total		157,040	47,765			

Annex 64: Country Codes

‘Country Codes’ are officially referred to as UN/LOCODE¹³⁷ when it comes to trade activities. UN/LOCODE is used to identify locations in a unique and unambiguous way for international trade. It is a five-character code system in which the first two-character is for country/territory code based on ISO 3166-1 and the last-three code represents the location.

ISO 3166-1 is maintained by the ISO 3166 Maintenance Agency (MA). A request for a new code or a modification is usually submitted by Governments to the MA. Then a ballot will be conducted by the MA to decide whether to approve the request.

UN/LOCODE directory is updated every six months, which includes over 100,000 entries. It is impossible to ensure data quality without knowledge and expertise from the country concerned.

A UN/LOCODE Focal Point Network was created by encouraging Governments to nominate a National Focal Point (NFP). These NFP’s work to validate all requests for his/her country. This is to avoid that wrong code location are entered into the database.

There are no NFPs either for the DPRK or the ROK.

¹³⁷ See <https://unece.org/trade/cefact/unlocode-code-list-country-and-territory> for details.

Annex 65: Glocom Case

In 2017, the Panel stated that Glocom was a Malaysia-based company which advertised and sold radio communications equipment for military and paramilitary organizations.

Glocom is a front company of the Democratic People's Republic of Korea company Pan Systems Pyongyang Branch (Pan Systems Pyongyang), operated by the designated Reconnaissance General Bureau (KPe.031), the country's premier intelligence agency.¹³⁸

The Panel continues its investigation on Glocom since 2017. Glocom's new product categories have increased.¹³⁹ Since 2017, the Panel has communicated several times with the Malaysian authorities on Glocom issues and has taken note of the declaration by Malaysia's police chief that local firms linked to Glocom were being "struck off" and that authorities were doing all they could to "comply with international regulations with regards to related sanctions."

According to information from a Member State, Pan Systems Pyongyang continues to operate, and utilizes a number of front company names when purchasing radio components for the production of military radios in order to evade sanctions and disguise the true destination and purchaser of the components.

The Panel's investigation continues.

¹³⁸ S/2017/150, paras. 77,79 and 85.

¹³⁹ Glocom offered seven radio systems in February 2020, but that number had increased to 11 in February 2021. The company added another military radio system to its webpage in July 2021. Likewise, new command and control products have appeared on the Glocom website in 2021, as well as new radar systems and battlefield accessories.

Annex 66: Reply of Uganda



REPUBLIC OF UGANDA

PERMANENT MISSION OF THE REPUBLIC OF UGANDA TO THE UNITED NATIONS

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Our Reference: **UN-NY/TECH/38**

26 July 2021

Dear Mr. [REDACTED]

I wish to refer to your letter Ref. S/AC.49/2021/PE/OC.81 dated 28 May 2021 regarding the Panel's investigations arising from the documentary "The Mole: Undercover in North Korea".

This is to inform you that investigations by the relevant government agencies are still ongoing, though delayed due to lockdown measures to mitigate the COVID-19 pandemic in Uganda.

The Government of Uganda reiterates its cooperation with the Panel and as soon as the investigations are completed, the Committee will be updated.

Please accept the assurances of my highest consideration.

Ambassador Adonia Aycbare
Permanent Representative

Mr. [REDACTED]

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



PERMANENT MISSION OF THE REPUBLIC OF UGANDA TO THE UNITED NATIONS

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Our Reference: **UN-NY/TECH/38**

13 September 2021

Dear Mr. [REDACTED],

I wish to refer to your letter Ref. S/AC.49/2021/PE/OC.81 dated 28 May 2021, regarding a documentary "The Mole: Undercover in North Korea".

The investigations are still ongoing; however, a preliminary investigations report has been issued by the Government of Uganda as follows:

1. The documentary (video) was downloaded and analyzed, showing four Ugandans who appeared therein identified as Magala Moses who is former Senior Government Valuer, Muzoora Jude who is a real estate agent, Nagimesi Bob who is a lawyer and Twine Warren, a former Court Bailiff and a representative of the Island owner. They were summoned to help with the investigations.
2. Communication between Magala Moses and a representative of the "Norwegian Royal Family" a one Bjarte M. Tveit was retrieved and analysed. Another communication between Muzoora Jude and a representative of the "Norwegian Royal Family" a one Bjarte M. Tveit was retrieved too and analyzed.
3. It is established that the land referred to is called Buziri Island in Buvuma District situated on Block 66 Plot 1 owned by Fredrick Ssempebwa, who instructed Twine Warren to look for buyers in 2017.
4. Twine Warren contacted Muzoora Jude (real estate agent) to look for buyers. Muzoora then through a website www.privateislandinc.com that does online marketing for different Islands, uploaded the details of Buziri Island on the website in order to get potential buyers.
5. Muzoora Jude through a website, www.privateislandinc.com connected Larsen Ulrich a Norwegian National who had expressed interest in buying the Island. He was willing to physically visit Uganda with a team to inspect the Island.

6. Larsen Ulrich came to Uganda with his team as potential buyers and held meetings in Uganda in August 2017 in Serena Hotel Kampala. They introduced themselves to be from the Norwegian Royal Family, during the meetings with Magala Moscs, Muzoora Jude, Nagimesi Bob (Counsel) and Twine Warren. Larsen Ulrich and his team visited the Island and had cameras that they used to take photographs all the time.
7. Larsen and his team expressed interest in buying the Island, but nothing was documented during the meetings. Nagimesi Bob was tasked to finalize the documentation.
8. Larsen Ulrich and his team promised to come back to Uganda, which promise has not been fulfilled. They never revealed their true identity and intentions.
9. It became clear that Ulrich Larsen joined an organisation called the Danish Friends of North Korea and later an International Organisation called Korea Friendship Associations (KFA). He is the 'Mole' undercover operative within the 'KFA', who was working with Bjarte M. Tveit and others on an undercover investigation into sanctions breaking by the Government of North Korea.

Please accept the assurances of my highest consideration.

Adonia

Ambassador Adonia Ayebare
Permanent Representative

Mr. [REDACTED]
Coordinator of the Panel of Experts established
pursuant to Security Council Resolution 1874 (2009)
New York

Annex 67: “The Mole” and Cambodia

The Panel continued to investigate the documentary film “The Mole: Undercover in North Korea” released in October 2020, which suggested that international arms dealers from the Democratic People’s Republic of Korea and nationals of a European country discussed a quotation for weapons and how to complete an arms sales contract during meetings in Phnom Penh in 2017.

The documentary suggested that the arms sales were never realized.¹⁴⁰ Upon the first response from Cambodia, the Panel continued to ask Cambodia to provide more detailed and specific information. It has yet to receive a reply.

¹⁴⁰ S/2021/211, para. 90.

Annex 68: Military Cooperation with the DPRK

Bolivarian Republic of Venezuela

The Panel continued to investigate possible military and technological cooperation between the Bolivarian Republic of Venezuela and the DPRK.

According to a media report, the President of the National Constituent Assembly of the Bolivarian Republic of Venezuela signed a series of agreements pledging military and technological cooperation during a visit to the Democratic People's Republic of Korea in September 2019.

In response to the Panel's enquiry, the Bolivarian Republic of Venezuela replied that: [The Bolivarian Republic of Venezuela] expresses its serious concern at the decision of the Panel to initiate an official investigation on the basis of information from 'a media report'; namely, one single source ... particularly taking into account the fact that there is no single agreement between [the Bolivarian Republic of Venezuela] and the DPRK on military and technological cooperation".¹⁴¹

The Panel continues to request further clarifications from the Bolivarian Republic of Venezuela but has not yet received a reply.

Somalia

According to reporting by the Panel on Somalia dated 28 September 2020 (S/2020/949), four 60 mm mortar rounds were fired by Al-Shabaab on 17 February 2020 in the direction of the United Nations compound within Aden Adde International Airport.

Based on an analysis of the tail fins, the Panel noted that the mortars had been produced by multiple manufacturers. The Panel further noted one had characteristics consistent with a 60 mm HE type 63 mortar round manufactured in the Democratic People's Republic of Korea.¹⁴² The Panel continues to request further clarifications from Somalia and has yet to receive a reply.

¹⁴¹ S/2021/211, para. 94.

¹⁴² S/2021/211, para. 93.

Annex 69: Judgement Summary on Chan Han Choi ¹⁴³ (North South Wales Supreme Court, Australia)



Judgment Summary Supreme Court New South Wales

R v Choi (No 10) [2021] NSWSC 891

Adamson J

Following his plea of guilty to an amended indictment, Chan Han Choi, aged 62, was convicted of two offences involving breach of sanctions imposed against the Democratic People's Republic of Korea (North Korea). Count 1, which related to brokering services provided by Mr Choi to entities in North Korea with respect to the sale of North Korean military equipment and the purchase of Indonesian petroleum products, was an offence against s 27(1) of the *Charter of the United Nations Act 1945* (Cth). Count 2, which related to the sale of North Korean coal to entities in Indonesia, was an offence against s 16(1) of the *Autonomous Sanctions Act 2011* (Cth). The maximum penalty for each offence is 10 years' imprisonment.

Mr Choi was sentenced to a term of imprisonment for a total of 3 years and 6 months. His sentence commenced on 16 December 2017, which was the day of his arrest. He spent almost 3 years in gaol on remand before he was released on strict conditions of bail to enable him to prepare for his trial, which commenced on 3 February 2021. As the sentence has now expired, no non-parole period was specified.

Mr Choi's plea of guilty to a fresh indictment was entered a week after his trial by jury had commenced. The original indictment presented at the commencement of the trial included two charges that he had provided services believing or suspecting on reasonable grounds that the services would or may assist in a weapons of mass destruction program. These charges were withdrawn and were not included in the fresh indictment to which Mr Choi pleaded guilty.

Mr Choi was born in South Korea, where he qualified as a civil engineer. He migrated to Australia in 1987 and became an Australian citizen in 2001. He pleaded guilty on the basis of agreed facts which included that none of the transactions had concluded. Some transactions were deferred because of concerns arising from increased international surveillance of sanctioned trade with North Korea following missile testing by North Korea in August 2017. Others did not go ahead by reason of Mr Choi's arrest on 16 December 2017.

Adamson J stressed the importance of the criminal law in punishing and deterring breaches of sanctions by individuals whose conduct would otherwise undermine the international pressure which the sanctions were designed to exert. However, her Honour noted that Mr Choi's conduct was confined to a few transactions which did not go ahead. Further, the military equipment which he had brokered was limited to Man-Portable Air Defence systems, which are small surface to air missiles, and Tactical Inertial Measurement Units, which are used by objects in flight for military and civilian purposes. Adamson J rejected the Crown's

¹⁴³ Chan had contacts with Sudan's Military Industry Corporation, an associate of Sudan Master Technology Engineering Company which was involved in missile military cooperation projects with DPRK's Korea Mining Development Trading Corporation (KOMID) ([S/2019/171](#), para. 84).

submissions that Mr Choi was involved in providing brokering services for inter-continental ballistic missiles. Her Honour considered that the documents discovered when a search warrant was executed at Mr Choi's home in Eastwood, Sydney were the result of his interest in North Korea's military capability and were not related to his brokering service.

Although Mr Choi had, at times, professed a close relationship with Kim Jong-Un, Adamson J held that these statements were, as Mr Choi admitted in his evidence, false and were a product of his tendency towards grandiosity. Adamson J accepted that Mr Choi was contrite and that his prospects of re-offending were low.

Adamson J found that Mr Choi had two motives: he wanted to help the people of North Korea, against whom he believed international sanctions operated unfairly, as well as to earn money.

Source: New South Wales Supreme Court Caselaw website.

Annex 70: New Investigation Results on Mercedes Benz Vehicles Supplies¹⁴⁴

The Italian company European Cars & More (with which the Panel have had correspondence concerning the transit of two Mercedes-Benz S-Class 600 Sedan Long Guard VR9 vehicles in 2018 from Italy) have informed the Panel in 2021 that it also sold in 2018-2019 three other vehicles- Mercedes S600 Guard, a S650 Maybach and a S600 Pullman to LS Logistica & Spedizioni S.R.L.C. - the same company that was involved in illegal delivery of the first two Mercedes Guard vehicle.¹⁴⁵

European Cars & More informed the Panel about the “*complaint of termination of movement with PRA of January 10, 2020*”, meaning, that Italian registration authority deregistered these three cars.

However, there are no more details available concerning further movement of these cars. See annex 71 for European Cars & More’s reply.

Italy has informed the Panel that these three cars were resold “*within and outside Europe*” and their location was not determined.

Italy further replied to the Panel’s enquiry: “...*verifications made through Italian Customs Agency databanks reveal no customs operation that can be traced back to the vehicles in question. Further verifications have been initiated...*”.

¹⁴⁴ For previous investigation results see S/2021/211, para. 155; S/2019/691.

¹⁴⁵ S.2021/777, paras. 145-156.

Annex 71: European Cars & More's reply

Avv. Paola Zulli

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

*zullipaola@gmail.com
zullipaola@pec.giuffre.it*

Lanciano, 15 december 2021

Via e-mail to [REDACTED]
[REDACTED]

Via mail to [REDACTED]
[REDACTED]

Subject: S/AC.49/2021/PE/OC.58 -

S/AC.49/2021/PE/OC.259

Dear [REDACTED]

We are writing to respond to your latest communications of March 30, 2021 and of September 30, 2021 in which you request us to cooperate by providing information and documentation relating to other vehicles sold to Logistics & Shipping LS. This request is based on information that we have provided to the Panel in previous communications, in a spirit of cooperation and total openness to the facts.

With the purpose to cooperate with you in the best possible way, as we have done from the beginning, we would like to try to better understand certain passages of the matter that concerns us.

In order to be able to better comprehend the whole issue, in fact, we have taken the liberty of making a reconstruction of the Reports published by the United Nations Security Council Panel of Experts Established Pursuant to Resolution 1874 (2009) between August 30, 2019 and March 3, 2021, analysing the contents and the photos reported therein. This is also to realize the reasons for the unreasonable commercial blockade imposed on us by the Daimler Group, formally linked to contractual matters and based on information that we provided to the Panel in a spirit of cooperation.

Right from the start (Report S/2019/691 dated August 30, 2019), Daimler confirmed to the Panel that the images shown to them "were of vehicles produced by the company, with modifications by another party" (images that we probably have not seen, because the one shown in your communication dated April 29, 2020, was "for demonstration purposes only"). And it immediately

withdrew from all responsibility, stating that *"it had complied with all relevant applicable embargoes and did no business with the Democratic People's Republic of Korea"*.

We believe, therefore, that we need to better comprehend whether the reality of the facts, as reported by you, may not have been misled, unconsciously or otherwise, by the indications given to the Panel by Daimler.

In fact, from what we have read, it would seem that we have somehow been caught up in the middle by Daimler. And that to a certain extent it seems willing to let us to fulfil the role of "sacrificial victim" for the whole affair, leaving the other parties involved unscathed. Indeed, in subsequent reports it does not appear that any further information is being requested from Daimler.

This leads us to believe that the indications provided by the Daimler Group may perhaps be somewhat obstructive to the reality of the facts and to the reconstruction of the whole affair, aiming more to keep the company unharmed than to pursue the truth of the facts.

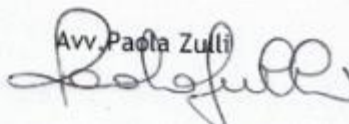
We would therefore like to ask you for more information on the Panel's relationship with Daimler, so that we can cooperate constructively in the objective reconstruction of the matter.

We reiterate, in any case, our willingness to collaborate with the Panel for a faithful reconstruction of the truth of the entire matter under investigation.

But, we have another huge problem that arises from your investigation: **for months our transfers from Italy to foreign countries have been blocked by the Bank of America due to internal policy.**

Since the activity of European Cars & More srl is mainly focused on exports and imports, I ask the Panel to definitively clarify the extraneousness of my Client extraneousness to the investigation on trade relations with North Korea, and to communicate it to the institutions, including Bank of America, in the next seven days.

Kind regards,

Avv. Paola Zulli


Annex 72: Images of Mercedes-Benz SUV used by DPRK



Source: The Panel.



Source : NK News.

Annex 73: Investigation on KOMID-related Cases**Kil Jong Hun**

The Panel has received information from a Member State that there is an ongoing relationship between Equatorial Guinea and KOMID. As of 2021, this relationship includes potential Equatoguinean procurement of items from KOMID, including shipments of defence and/or military technology items.

According to the information, Kil Jong Hun, who also goes by the name Ri Yang Chun, is a KOMID representative based and operating in Equatorial Guinea. Kil travels using a DPRK diplomatic passport. The Panel asked Equatorial Guinea about these issues but has yet to receive a reply.

Ri Hyong Thae

The Panel is investigating a DPRK national, Ri Hyong Thae, who is believed to continue to travel internationally in connection with arms-related activity and in the company of other individuals designated by the 1718 Sanctions Committee. Ri has served with KOMID and KOMID-associated companies in Cuba, Iran and Malaysia in the past, and travelled widely using the DPRK diplomatic passports. The Panel requested further information about Ri from the United Arab Emirates and received a copy of Ri's passport (see annex 74 or Ri's passport copy).

A Member State informed the Panel that Ri arrived and departed Singapore on the same day in June 2004 under passport number 554132407 and that there were no travel record to the passport number 827310102.



Annex 75: List and Copies of Sok Kha's Passports

Passport List

បញ្ជីលិខិតឆ្លងដែន

លរ	លិខិតឆ្លងដែនលេខ	ប្រភេទ	ផ្តល់នៅថ្ងៃ	ផុតកំណត់នៅថ្ងៃ	អាជ្ញាធរផ្តល់
1	AA0000980	ការទូត	04/11/2020	04/11/2025	ក្រសួងការបរទេស និងសហប្រតិបត្តិការអន្តរជាតិ
2	D0004492	ការទូត	09/04/2018	09/04/2021	ក្រសួងការបរទេស និងសហប្រតិបត្តិការអន្តរជាតិ
3	N00540807	ធម្មតា	11/07/2016	11/07/2026	ក្រសួងមហាផ្ទៃ
4	N1422669	ធម្មតា	08/04/2013	08/04/2016	ក្រសួងមហាផ្ទៃ
5	D0000803	ការទូត	30/01/2012	30/01/2015	ក្រសួងការបរទេស និងសហប្រតិបត្តិការអន្តរជាតិ
6	N0675876	ធម្មតា	29/04/2009	29/04/2012	ក្រសួងមហាផ្ទៃ
7	N0397996	ធម្មតា	18/11/2005	18/11/2008	ក្រសួងមហាផ្ទៃ
8	N0292886	ធម្មតា	19/02/2004	19/02/2007	ក្រសួងមហាផ្ទៃ
9	N0256027	ធម្មតា	12/06/2003	12/06/2006	ក្រសួងមហាផ្ទៃ
10	N0158174	ធម្មតា	18/07/2001	18/07/2004	ក្រសួងមហាផ្ទៃ

សិទ្ធិកម្មបាល

No. D0004492

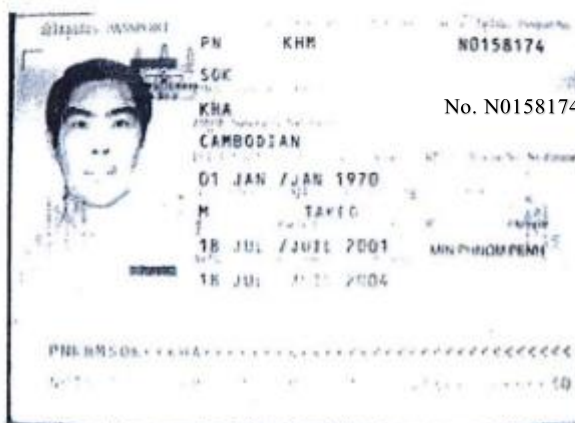
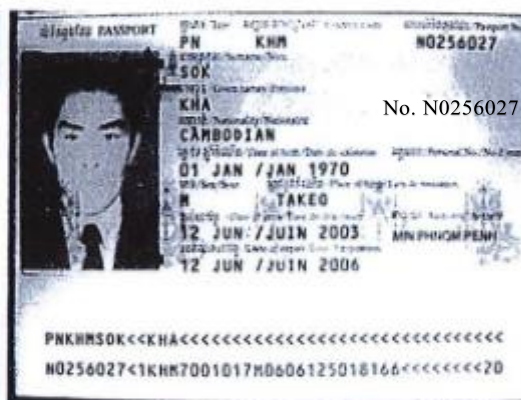
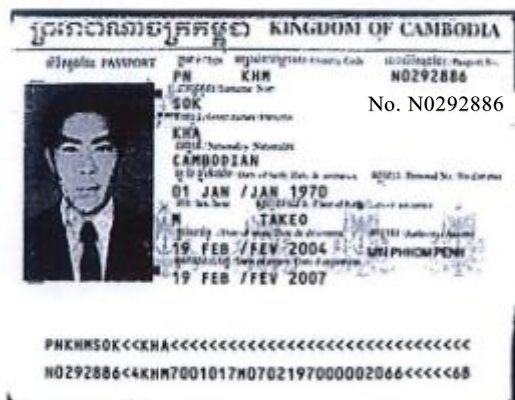
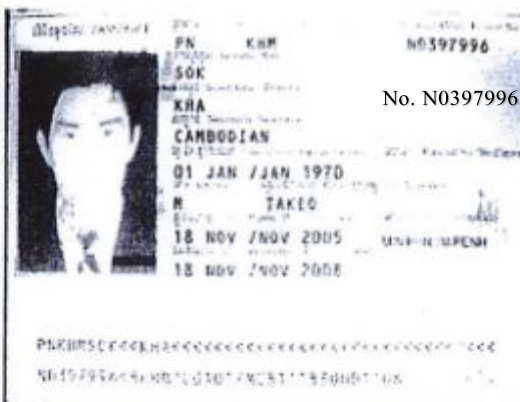
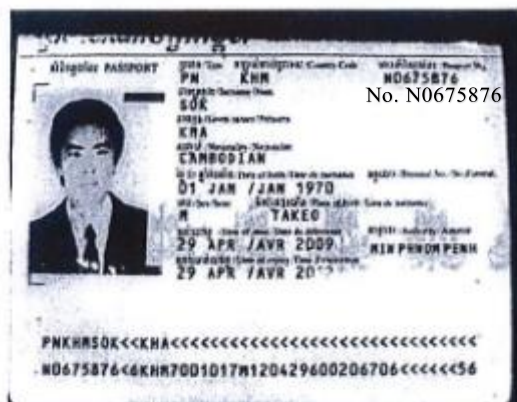


No. N1422669



No. D0000803





Source: The Panel (provided by Cambodia).

Annex 76: Company Extract of C.H. World Travel Co., Ltd.

Company Extract

General Details

Company Number: 00008002
 Company Name (in Khmer): ភីអិចស៊ីស វិស័យដំណើរទេសចរណ៍
 Company Name (in English): C.H.WORLD TRAVEL CO., LTD.
 Company Type: Private Limited Company
 Company Status: Registered
 Incorporation Date: 23-May-2008
 Reregistration Date: 05-Apr-2016

 Business Activities:
 Business Objective: 791 Travel agency and tour operator activities
 Main Business Activities: 79110 Travel agency activities(1)
 Business Objective: 791 Travel agency and tour operator activities
 Main Business Activities: 79120 Tour operator activities(2)
 Business Objective: 799 Other reservation service and related activities
 Main Business Activities: 79900 Other reservation service and related activities(4)
 Business Objective: 511 Passenger air transport
 Main Business Activities: 51100 Passenger air transport
 Business Objective: 522 Support activities for transportation
 Main Business Activities: 52202 Issue and procurement of transport documents and waybills
 Business Objective: 731 Advertising
 Main Business Activities: 73100 Advertising(1)
 Business Objective: 829 Business support service activities n.e.c.
 Main Business Activities: 82900 Other business support service activities n.e.c.
 Share Par Value: 20000
 Par Value (KHR): 20000
 Par Value equivalent (USD): 5

Addresses

Physical Registered Office Address: ផ្ទះលេខ ១០, ផ្ទះលេខ ១០១២១២១ (ភីអិចស៊ីស), ភ្នំពេញ, Boeng Profit, Prampi Makara, Phnom Penh, Cambodia
 Postal Registered Office Address: Same as Physical Address
 Contact Email: chworldtravel2016@gmail.com
 Contact Telephone Number: +855 9 12875554

Directors

Name (Khmer): សុខ ខា
 Name (English): Sok KHA
 Postal Registered Office Address: ១២១, ២១២, ភ្នំពេញ, Phsar Depou Mucy, Tuol Kouk, Phnom Penh, Cambodia
 Telephone: +855 9 12875554
 Chairman of the Board of Directors: No

 Name (Khmer): លី ហង់ ម៉ាន់
 Name (English): Lee Hang MANN
 Postal Registered Office Address: 618, Phum 16, Boeng Kak Piv, Tuol Kouk, Phnom Penh, 12152, Cambodia
 Telephone: +855 916578176
 Chairman of the Board of Directors: Yes

Company Number - 00008002

Shares & Shareholders

Registered Share Capital (KHR): 20,000,000

Registered Share Capital equivalent (USD): 5,000

More than one class of share: No

Individual Shareholder

Name (Khmer): សុខ ខា

Name (English): Sok KHA

Postal Registered Office Address: ១៦១, ២១៩, ខ្នង, Phsar Depou Muay, Tuol Kouk, Phnom Penh, Cambodia

Number of shares: 700

Individual Shareholder

Name (Khmer): លី ហុង ម៉ាណ

Name (English): Lee Hong MANH

Postal Registered Office Address: 618, Phum 18, Boeang Kak Pir, Tuol Kouk, Phnom Penh, 12152, Cambodia

Number of shares: 300

Nationality of Majority Shareholders: Cambodian

Percentage of Majority Shareholders(%): 100

Page 2 of 2

The validation code for this Business Extract is MOC-73324678. To check the validity of this document enter <https://www.businessregistration.moc.gov.kh/cambodia-br-companies/verify/00008002/MOC-73324678.html> in your browser.

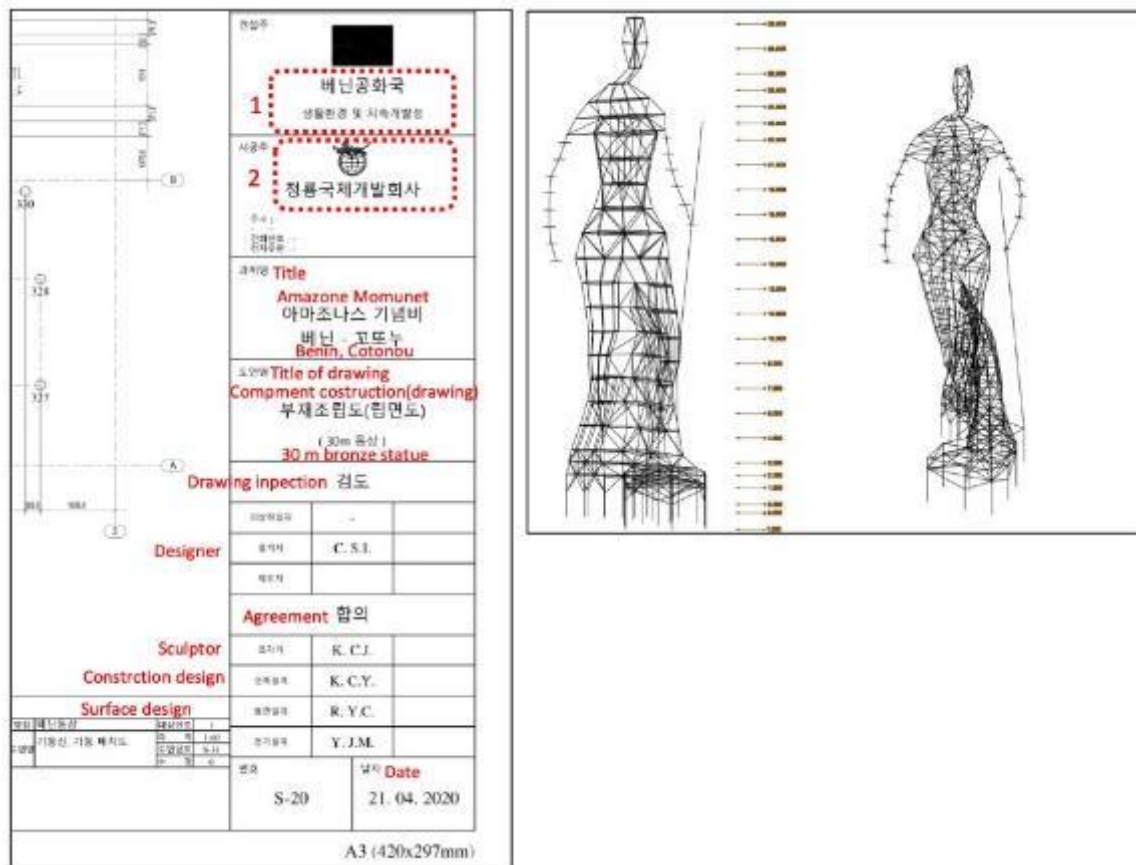
Extract generated as at 25 June 2021 12:51 PM

Source: The Panel (provided by Cambodia).

Annex 77: Bronze statue blueprints under construction by the Mansudae Overseas Project Group of Companies in Cotonou, Benin and satellite imagery

1) Excerpt of the blueprints

According to multiple media reports, the MOP is partnering with the Government of Benin to build a bronze statue in Cotonou, using obfuscated identification to evade sanctions. The Panel obtained information indicating that the bronze statue is 30 meter in height. One of the Korean-language blueprints of the bronze statue “Amazon Monument” shows that the builder is “Republic of Benin, Ministry of the Living Environment and Sustainable Development” and a contractor is “Chongryong International Development” (see below).



Source: VOA.

2) Satellite imagery of the bronze statue (6°20'57"N 2°24'28"E)

Satellite imagery suggests that the statue was installed between June and September 2020. The Panel wrote to Benin requesting information on the entities involved in the construction of the statue. Benin replied to the Panel that there is no relationship between the entity and Benin (see reply from Benin). Investigations continue.¹⁴⁶ It seems that the structure surrounding the statue was not removed as of December 2021.



Source: Planet Labs Inc.

¹⁴⁶ Construction of bronze statues in Benin is also concerns possible violations of resolutions on overseas workers (S/2020/840, para. 105 and annex 45).

3) Reply from Benin

Le Bénin a pris note des résolutions¹ adoptées par le Conseil de Sécurité des Nations Unies sur la République populaire démocratique de Corée (RPDC) suite aux activités menées par ce pays pour développer des armes nucléaires et des missiles balistiques en violation du droit international.

Le Bénin appuie fermement ces résolutions, y compris le régime des sanctions que celles-ci ont mis en place.

Conformément aux orientations de sa politique extérieure, le Bénin promeut la non-prolifération nucléaire dans toutes les régions du monde. Il a ratifié le Traité sur la non-prolifération des armes nucléaires qu'il considère comme un des piliers essentiels du régime international du désarmement et de la non-prolifération nucléaires.

En outre, le Bénin est Partie au Traité de Pelindaba qui crée une zone exempte d'armes nucléaires en Afrique et, depuis le 23 septembre 2018, a signé le Traité sur l'interdiction des armes nucléaires adopté à New York, le 07 juillet 2017. Le 22 octobre 2020, l'Assemblée nationale du Bénin a autorisé la ratification de ce Traité.

Le Gouvernement du Bénin soutient fermement toutes les initiatives des Nations Unies tendant à la création dans toutes les régions du monde, de zones exemptes d'armes nucléaires. A ce titre, le Bénin encourage la mise en œuvre de la décision de création de ladite zone au Moyen-Orient et réaffirme, dans chacune de ces interventions aux Nations Unies, son soutien à la tenue d'une Conférence internationale pour y parvenir.

Le Bénin a exprimé à plusieurs reprises sa ferme conviction que l'objectif d'une paix durable et de la dénucléarisation de la péninsule coréenne doit être atteint par des voies pacifiques.

Le Bénin est l'un des rares pays africains à coparrainer chaque année les résolutions des Nations Unies sur la situation des Droits de l'Homme en RPDC aussi bien à New York (3^{ème} Commission de l'Assemblée générale des Nations Unies) qu'à Genève (Conseil des Droits de l'Homme).

S'agissant, en particulier des présumées activités au Bénin de "Mansudae Overseas Project Group of Companies", les investigations menées par l'ensemble des Services nationaux compétents concluent à l'inexistence de relations entre ce groupement d'entreprises de droit nord-coréen et le Bénin.

Toutefois, le Bénin s'engage à poursuivre les investigations au sujet des activités de ce groupement et à prendre les dispositions appropriées en vue de prévenir et d'empêcher que d'éventuelles activités dudit groupement soient menées sur son territoire.

Le Bénin réaffirme son ferme appui au régime des sanctions imposées à la RPDC et s'engage à continuer leur mise en œuvre avec rigueur et vigilance.

Fait à Cotonou, le 23 décembre 2021

¹ Résolutions 1718 (2006) ; 1874 (2009) ; 2094 (2013) ; 2270 (2016) ; 2321 (2016) ; 2356 (2017) ; 2371 (2017).

Source: The Panel.

Annex 78: DPRK workers in China

According to a Member State information, DPRK entities were working with entities located in China to employ DPRK nationals at several locations and fields including construction sites, factories, and IT from 2020 to 2021. Most of the contracts were to hire several hundred DPRK workers and some of the contracts were expected to dispatch additional employees. Details of each case are below.¹⁴⁷

1) Factory workers

Following entities in China employed DPRK workers as of mid-2020. Most employed between 100-400 DPRK workers, although several of these entities employed still higher numbers of laborers from DPRK.

Jilin Military Garment Co., Ltd (길림군상복장유한공사)
 Jilin Sangbok Clothing Co., Ltd (길림길상복장유한공사)
 Helong Kusong Clothing Co., Ltd (화룡구성복장유한공사)
 Yanbian Pros Clothing Co., Ltd (연변프로스복장유한공사)
 China Aulbon (Clothing Production) Co., Ltd (아을본(옷제작)유한공사)
 Jilin Rangdon Clothing Co., Ltd (길림랑돈복장유한공사)
 Helong Hyesang Clothing Co., Ltd (화룡혜상복장유한공사)
 Pacific Clothing Co., Ltd (태평양복장유한공사)
 Chongyon Clothing Co., Ltd (청연복장유한공사)

2) Construction workers

DPRK entity Korean Namgang Construction General Corporation (aka DPRK Ryongrim Overseas Construction Company) was working with a Chinese entity Xinzhexing Labor Resource Co, Ltd (广东省东莞市新臻头人力资源有限公司) to dispatch between 500 and 20,000 DPRK nationals to Zhongshan City and Dongguan City of Guangdong Province and Yangtze River Delta in April 2021.

Another DPRK entity Korean Namgang Construction General Corporation (aka DPRK Ryongrim Overseas Construction Company) was working with a Chinese entity PRC Tong Sin Communication Technology Co, Ltd (中国通信技术有限公司) to dispatch more than 200 DPRK nationals to Beijing and Heibei Province in June 2021.

3) IT workers

DPRK entity **Mangyongbong International Trade and Economic Development Corporation** (President: Yun Kuk Nam) was working with Dandong Junxing Science and Technology Co Ltd (丹东市君星科技有限公司) to send

¹⁴⁷ One expert is of the view that this information needs to be further corroborated.

DPRK IT workers to work in China around October 2020. These workers would likely remain employed for several years. The information indicates that the UN-designated DPRK entity, the **Munitions Industry Department (KPe.028)** (see figure 70-1) facilitated the establishment of this relationship.

Figure 70-1: Excerpt from the List established and maintained pursuant to resolution 1718 (2006)

KPe.028 Name: MUNITIONS INDUSTRY DEPARTMENT
A.k.a.: a) Military Supplies Industry Department b) MID **F.k.a.:** na **Address:** Pyongyang, Democratic People's Republic of Korea **Listed on:** 2 Mar. 2016 (amended on 9 Jul. 2019)
Other information: The Munitions Industry Department is involved in key aspects of the DPRK's missile program. MID is responsible for overseeing the development of the DPRK's ballistic missiles, including the Taepo Dong-2. The MID oversees the DPRK's weapons production and R&D programs, including the DPRK's ballistic missile program. The Second Economic Committee and the Second Academy of Natural Sciences – also designated in August 2010 – are subordinate to the MID. The MID in recent years has worked to develop the KN08 road-mobile ICBM. The MID oversees the DPRK's nuclear program. The Nuclear Weapons Institute is subordinate to the MID.

Source: <https://www.un.org/securitycouncil/sanctions/1718/materials>.

4) Other cases

DPRK company **Korea Changsaeng Trading Corporation** was working with Dandong Jinsheng Electronics Co., Ltd (丹东锦盛电子有限公司) concerning the provision of at least 150 DPRK workers in Dandong, China, by October 2020, with an additional 200 workers planned to be dispatched in 2021. Information indicates that this relationship could be structured as a joint venture or cooperative entity.

Another DPRK entity **Korean Tangun Trading Corporation** was working with Heilongjiang Province Rixin Foodstuffs Company, Ltd (黑龙江省日信食品有限公司) to bring several hundred DPRK workers to China to work for foodstuff plant in January 2020. The information indicates that Korean Tangun Trading Corporation is the UN designated entity (KPe.008) (see figure 70-2)

Figure 70-2: Excerpt from the List established and maintained pursuant to resolution 1718 (2006)

KPe.008 Name: KOREAN TANGUN TRADING CORPORATION
A.k.a.: na **F.k.a.:** na **Address:** Pyongyang, Democratic People's Republic of Korea **Listed on:** 16 Jul. 2009 **Other information:** Korea Tangun Trading Corporation is subordinate to DPRK's Second Academy of Natural Sciences and is primarily responsible for the procurement of commodities and technologies to support DPRK's defense research and development programs, including, but not limited to, WMD and delivery system programs and procurement, including materials that are controlled or prohibited under relevant multilateral control regimes.

Source: <https://www.un.org/securitycouncil/sanctions/1718/materials>.

Annex 79: Possible Joint/Cooperative entity between DPRK and China

According to information provided by another Member State, DPRK entity Koryo Commercial Bank Ltd (高麗商業銀行) agreed to establish a joint venture with Shenyang Dawoo Sealant Construction Material Co. Ltd (沈阳多友实兰特建筑材料有限公司) mainly for the production and sale of soybean oil in 2019. The information suggests that the construction of an office was completed in Pyongyang and the soybean production plant was under construction in Nampo, DPRK. The Member State assessed that soybean oil is for civilian purpose, but it also could be supplied to munitions factories where the oil is used for weapons manufacturing.

According to information obtained by the Panel:

Name of joint venture entity:

PYONGYANG HWASHIN JOINT CORPORATION (平壤和信合営会社)

Address: Jyonjin-dong, Rangrang district, Pyongyang city (平壤市榮浪区域前進洞)

Party of DPRK side:

KORYO COMMERCIAL BANK LTD (高麗商業銀行)

Party of Chinese side:

SHENYANG DAWOO SEALANT CONSTRUCTION MATERIAL CO., LTD

(沈阳多友实兰特建筑材料有限公司)

Address: No.258, Kunshan-Xilu, Yuhong District, Shenyang City, Liaoning Province, PRC (遼寧省瀋陽市于洪区昆山西路 258 号)

Shareholder: GIL GYEONG-GAP (吉京甲 (길경갑))

Category of business:

Production and sales of various food, Operation of wharf, Operation of sales facility (in Pyongyang, Nampo, Wonsan) , Operation of stores (light industry products, food, sales of electric and electronics, clothes manufacturing

Registered capital: 6,726,720,000 won (56,056,000 Euro)

Approval: No. 107-39 (5 October, 2018)

Duration: 40 years (until October 2052)

Annex 80: Reply from China

7. Workers (OC.306)

Jilin Military Garment Co., Ltd and the other 8 garment companies mentioned in the Panel's letter only have their English and Korean names. Since China's business registration system uses only the Chinese language, we cannot conduct comparison and verification. China has been strictly

7

implementing relevant provisions on migrant workers from the DPRK. Their working permits have all expired before the deadline set by the Security Council resolutions.

We did not find Korean Namgang Construction General Corporation sending migrant workers to China. In fact, since February 2020, for the sake of pandemic prevention and control, the DPRK has set strict restrictions on people entering and leaving the country. It is impossible for the DPRK to send migrant workers to China since then. Some information of so-called "violation of resolution" is not consistent with the actual situation amid the raging pandemic. The Panel should be more discerning.

As for the 99 DPRK migrant workers repatriated by [REDACTED] in 2019, according to China's exit and entry records, all of them have left China. Before the start of the pandemic, China was an important transit for people-to-people exchanges between the DPRK and other countries, especially in 2019, when all DPRK workers repatriated by other countries returned to the DPRK via China. If the Panel requires China to verify every time it gets some new information, it will be a huge burden of work. It is also by no means the obligation of the Chinese Government.

Source: Member State.

Annex 81: List of IT workers Equatorial Guinea

According to a Member State, at least 13 DPRK IT workers (see below) are located and working in Malabo and Oyala, in Equatorial Guinea. The Member State assessed that these IT workers arrived in Equatorial Guinea between 2018 and 2019. No response has yet been received to the Panel's request for further information.

DPRK IT workers reportedly located in Malabo, Equatorial Guinea :

- Ri Mun Song
- Pak Myong Song
- Kim Kuk Song
- Kim Hyon Chol
- Kim Kwang Chol
- Ri Tae Yong
- Ryu Jong Hyok

DPRK IT workers reportedly located in Oyala, Equatorial Guinea :

- Pak Tong Hyon
- Ri Jong Hyok
- Kang Thae Ho
- Cha Sung Hyon
- An Kuk Chol
- Kim Sun Hyok

Source: Member State.

Annex 82: Information about DPRK restaurants in the Lao People's Democratic Republic

The Panel has continued its investigations into the current status of the DPRK-related restaurants in Laos. Based on information received from a Member State, and the Panel's corroboration, at least four restaurants and one night market (see figure 82-1 and 82-2) in Laos seems to have continued to operate even after the applicable measures towards the closure of the restaurants and repatriation were taken by the Laotian authorities in 2020. The Laotian Government has already provided the Panel in July 2020 with the details of 28 DPRK nationals who had departed Laos from Wattay International Airport during the period between 2017 and the second half of 2019.¹⁴⁸

Nevertheless, open-source information suggest that restaurants are open and active, and that DPRK nationals have been working in Laos as waitresses and dance performers after these repatriations and after the December 2019 repatriation deadline. The list provided by the Laotian Government does not include female DPRK nationals and the Panel has requested clarification in view of the current information reported by the Member State to Laos in September 2021. Investigations continue.

Figure 82-1: List of Restaurants and Night Market

No	Restaurant	City	Latitude	Longitude
1	That Luang Pyongyang Restaurant	Vientiane	17.9734	102.6325
2	Paektu-Hanna Restaurant	Vientiane	17.96619	102.62825
3	Vang Vieng Pyongyang Restaurant	Vang Vieng	18.91901	102.44885
4	Vang Vieng Night Market	Vang Vieng	18.92347	102.44866
5	Koryo Restaurants	Luang Prabang	19.87404	102.12883

¹⁴⁸ S/2020/840, para. 133.

Figure 82-2: Location of the Restaurants and Night Market



Source: Google Earth, annotated by the Panel.

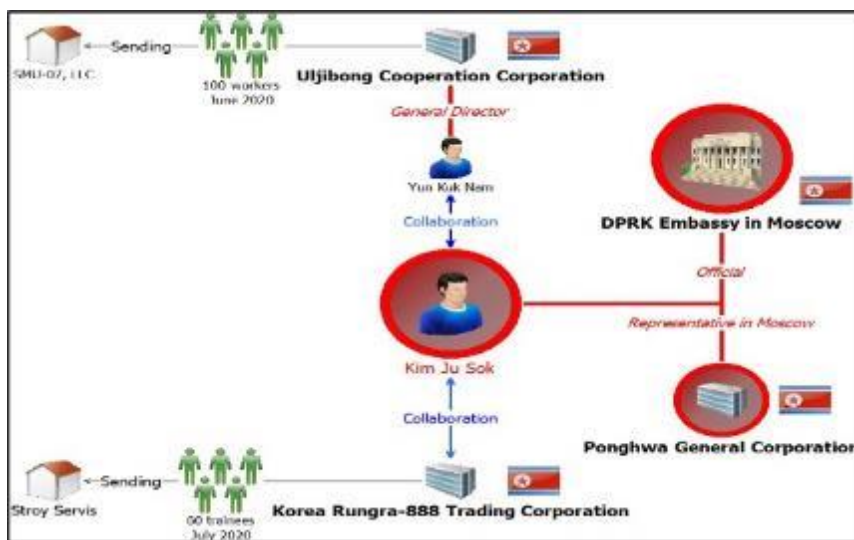
Annex 83: Information about the Russian Federation

According to Member State information, the DPRK official Kim Ju Sok, a Moscow-based official representative of DPRK's Ponghwa General Corporation, facilitated several contracts to send DPRK nationals to work in agricultural and construction activities in Russia between 2020 and 2021.

The same Member State reported that Kim collaborated with the general director of the DPRK Uljibong Cooperation Corporation, Yun Kuk Nam,¹⁴⁹ and contracted with a Russian company SMU-07, LLC to send a maximum of 100 DPRK nationals to construction projects in and around Moscow in June 2020. Kim Ju Sok also collaborated with DPRK company Korea Rungra-888 Trading Corporation to send at least 60 trainees to a Russian company Stroy Servis, LLC in July 2020. These trainees would receive training at vegetable greenhouses in the Moscow area and would receive 500 US dollars for participating in this program. The program was planned to run for several years and additional DPRK trainees were to be dispatched.

The Russian Federation replied to the Panel that “No information is available regarding his (Kim Ju Sok) activities in violation of Security Council resolution” and informed the Panel that “Both construction companies mentioned in the enquiry – SMU-07, LLC, which is not registered at the indicated address, and Stroy Servis LLC – ceased operations this year. No information is available regarding their contacts with nationals of the DPRK.”¹⁵⁰ Information provided to the Panel indicates that Kim was involved in another contract in sending DPRK nationals to Russia and investigations continue.

Figure 83: Kim Ju Sok's DPRK Overseas Worker Supply Activities



Source: The Panel.

¹⁴⁹ According to the information of Member State, Yun Kuk Nam was the director of Mangyongbong, a Korean general trading company and left Russia in December 2019.

¹⁵⁰ A Member State provided the Panel with the address of SMU-07, LLC. Its address is identical to the address described in the document obtained from ЕТРОЛ.

Annex 84: Information about Koryo Restaurant in Viet Nam

According to a Member State, DPRK nationals remaining in Viet Nam continued to work at the “Koryo Restaurant” in 2021. The Panel’s past report,¹⁵¹ a think tank report,¹⁵² and corporate registry in Viet Nam show that Koryo Restaurant is associated with Mudo Vina Co., Ltd which remains active and its legal representative is DPRK national Kim Jong Gil. Moreover, open-source information suggests that the Koryo restaurant sells art products including paintings produced at Mansudae Art Studio, which is a violation of paragraph 3 of resolution 2371 (2017). Viet Nam has yet to reply to the Panel’s enquiry.

1) Corporate registry of Mudo Vina Co., Ltd.

The address of its head office (underlined in red) is identical to the former address of Koryo Restaurant (see 2)).

DEPARTMENT OF PLANNING AND INVESTMENT OF HA NOI BUSINESS REGISTRATION OFFICE	SOCIALIST REPUBLIC OF VIETNAM Independence – Freedom – Happiness
BUSINESS REGISTRATION CERTIFICATE	
LIMITED LIABILITY COMPANY WITH ONE MEMBER	
Enterprise Code: 0105844459	
First registration: day 26 month 03 year 2012	
Amendment registration for the time(-s): 1, day 15 month 08 year 2016	
1. Enterprise name	
Enterprise name in Vietnamese: CÔNG TY TNHH MUDO VIỆT NAM	
Enterprise name in foreign language: MUDO VIETNAM COMPANY LIMITED	
Enterprise name in abbreviation: MUDO VINA CO., LTD	
2. Address of head office	
<u>Số 7, Lô 13B phố Trung Hòa, Khu đô thị Trung Yên, Phường Trung Hoà, Quận Cầu Giấy, Hà Nội, Vietnam</u>	
Tel:	Fax:
Email:	Website:
3. Charter capital 6,210,900,000 VND	
In words: Six billion two hundred ten million nine hundred thousand VND (tương đương 300.000 USD - Ba trăm ngàn đô la Mỹ)	
4. Name of owner	
One or more parameters were not specified for the subreport, 'subreport1', located at: /info_products/en/bic_ong	
5. Legal representative	
* Name: KIM JONG GIL	Gender: Nam
Position: Tổng giám đốc	
Date of birth: 01/08/1973	Ethnic background: Nationality: North Korea
ID type: Hộ chiếu nước ngoài	
ID card No.: 654333308	
Date of issuance: 08/08/2014	Place of issuance: Bộ Ngoại giao Triều Tiên
Contact address: Số 7, Lô 13B phố Trung Hòa, Khu đô thị Trung Yên, Phường Trung Hoà, Quận Cầu Giấy, Thành phố Hà Nội, Việt Nam	
Resident address: Gyong Hung-Dong, Botonggang dist, Pyongyang City, Korea, Dem. Rep.	
HEAD OF BUSINESS REGISTRATION OFFICE	
(Signature, Seal and Full name)	
Thông tin trên được kết xuất từ Cơ sở dữ liệu quốc gia về đăng ký doanh nghiệp vào thời điểm 22:20 ngày 27/8/2021. Thời điểm yêu cầu thông tin: 02:56 ngày 28/09/2021.	

The legal representative is Kim Jong Gil, a DPRK national.

Source: Vietnamese National Business Registration Portal.

¹⁵¹ S/2019/171, annex 74 (p. 331).

¹⁵² C4ADS, <https://www.c4reports.org/dispatched>.

Address of Koryo Restaurant

The Panel's past report and the photo of the business card of Koryo Restaurant. The address is indicated by the red dotted line.

Koryo restaurant	Hanoi	No.61 Trung Hoa City, Trung Yen Urban Area, Phuong Trung Hoa, Cau Giang Paper, Hanoi
		Previous Address: No.7, Lot 13b, Trung Hoa City, Trung Yen Urban Area, Phuong Trung Hoa, Cau iang Paper, Hanoi

Source: The Panel, [S/2019/171](#), p. 332.



Source: Naver.

2) The excerpt of corporate registry of Mudo Vina Co., Ltd

Corporate registry shows that its business activities are “Restaurants and mobile catering services” (underlined in red).

II. THÔNG TIN VỀ NGÀNH, NGHỀ ĐĂNG KÝ KINH DOANH		
	<u>Nhà hàng và các dịch vụ ăn uống phục vụ lưu động</u>	
	Chi tiết: Dịch vụ phục vụ ăn uống	
		Ngành, nghề chưa khớp mã với Hệ thống ngành kinh tế Việt Nam

Source: Vietnamese National Business Registration Portal.

3) A photo of a receipt from Koryo Restaurant

The receipt is dated on 15 December 2020.



Source: Google.

4) Excerpt of video footage of the Koryo Restaurant

The video footage was uploaded in February 2021, with restaurant workers wearing masks and using hand sanitizer, suggesting that the footage was filmed after COVID-19.



Source: Youtube.

5) Information about Mansudae Art Studio

Media report about art from Mansudae Art Studio sold at Koryo Restaurant. A restaurant employee says 'The art is from the famous Mansudae Art Studio in Pyongyang. These works were directly created by people's artists and are famous'. The employee also explains about the price of paintings and says "This is about 1,400 US dollars. A piece of embroidery is more expensive and could be two thousand dollars. The smallest is 500 US dollar. If you really want to buy it, we can give you a small discount". (See the part surrounded by red dotted line)

베트남 북한식당, 제재 대상 만수대 작품 반입...최대 2천 달러 판매 시도

기자 함지하, 김형진
2019.3.16 12:30 오전



베트남 하노이의 한 북한 식당에서 유엔 제재 대상인 만수대 창작사의 그림이 판매되고 있는 사실이 VOA 취재를 통해 확인됐습니다. 가격이 최대 2천 달러에 달하는데, 제재 위반이라는 지적이 나왔습니다. 함지하 기자가 보도합니다.

하노이에 위치한 북한 '고려식당'. 건물 곳곳에 여러 미술작품들이 걸려 있습니다.

북한 종업원은 만수대 창작사가 제작한 것이라며, 평양에서 직접 가져와 판매 중이라고 밝혔습니다.

[녹취: 종업원(음성변조)] "우리 평양에 만수대 창작사라고 유명한 미술... 인민 예술가들이 직접 하는 겁니다. 유명한 겁니다."

지난 2017년 유엔 안보리는 만수대 창작사를 자산동결 대상으로 지정한 바 있습니다. 평양의 제재 대상 기관에서 제작된 미술품이 베트남으로 옮겨져 버젓이 판매되고 있는 겁니다.

판매 중인 미술품들은 만수대 창작사 수예단장이자 인민예술가 칭호를 받은 김창희의 작품을 비롯해 북한 화가 김경석의 수묵화 등 종류가 다양했습니다.

주로 식당 내부 장식용 그림 형태로 벽에 걸려 있는데, 5층 높이의 고려식당의 2층과 3층에 주로 물려 있었습니다.

구매자가 나타나면 액자에서 꺼내 전달하는 방식으로 판매가 이뤄지며, 원할 경우 보증서도 발급한다는 게 종업원의 설명입니다.

2021/09/30 12:55

베트남 북판리당, 제재 대상 만수대 작품 연일... 최대 2천 달러 판매 시도 | Voice of America - Korean



하노이의 북한 식당인 '고려식당' 종업원이 만수대창작사에서 제작된 호랑이 그림을 들어 보이고 있다.

그림의 가격은 크기에 따라 달랐지만 대부분 미화 1천 달러에서 2천 달러 사이입니다.

[녹취: 종업원(음성변조)] "이건 한 1천400 (달러 정도 합니다). 수 들어간 건 더 비쌌습니다. 수 든 건 2천 불까지도 해야 됩니다. 제일 작은 건 500불이고, 실제 사시겠다면 조금씩은 할인해 드릴 수 있습니다."

이 종업원은 기계가 아닌 손으로 제작된 수예 작품이기 때문에 비싼 것이라고 강조했습니다.

미국 정부는 만수대창작사가 유엔 안보리 제재 대상 기관이란 점을 분명히 했습니다.

유엔주재 미국 대표부는 관련 내용을 묻는 VOA의 질문에 "추가 정보가 없는 가정적인 상황에선 답변할 수 없다"면서도 "만수대 창작사는 2017년 유엔 안보리 결의 2371호의 (제재) 지정 기관이며, 그들에게 수익을 제공하는 건 금지된다"고 대답했습니다.

유엔 안보리 대북제재위원회 전문가패널의 미국 대표로 활동했던 윌리엄 뉴콤 전 재무부 선임경제자문관은 "만수대 창작사는 제재 대상이며 판매 중인 미술작품을 포함한 모든 자산이 동결돼야 한다"고 밝혔습니다.

아울러 (만수대 창작사 판매 수익과 관련해) 예치된 자금이 있다면 은행이 어디에 있든 상관없이 이 역시도 동결 대상이라고 덧붙였다.

뉴콤 전 자문관은 고려식당 또한 문을 닫아야 하며, 북한 노동자들도 본국으로 송환돼야 한다는 점도 강조했습니다.

안보리 결의 2397호는 각 유엔 회원국들이 올해 말까지 모든 북한 해외 노동자를 돌려보내도록 하고 있습니다. 아울러 식당이나 호텔 등 북한과 합작회사를 설립하는 방식으로 운영되는 모든 사업 또한 중단해야 합니다.

제재 전문가인 조슈아 스탠튼 변호사도 만수대 창작사의 자산이 동결돼야 한다고 주장했습니다.

<https://web.archive.org/web/20210930164932/http://www.voakorea.com/korea/korea-politics/4831261>

2/3

Source: VOA.

Annex 85a: Panel enquiry to China (finance)



REFERENCE: S/AC.49/2021/PE/OC.260

4 October 2021

Excellency,

I have the honour to write to you with regard to ongoing efforts of the Panel of Experts established pursuant to United Nations Security Council resolution 1874 (2009) to gather, examine and analyse information regarding the implementation of the measures imposed on the Democratic People's Republic of Korea (DPRK) by Security Council resolutions [1718 \(2006\)](#), [1874 \(2009\)](#), [2087 \(2013\)](#), [2094 \(2013\)](#), [2270 \(2016\)](#), [2321 \(2016\)](#), [2356 \(2017\)](#), [2371 \(2017\)](#), [2375 \(2017\)](#) and [2397 \(2017\)](#), in particular incidents of non-compliance.

The Panel is conducting an investigation into several illicit ship-to-ship transfers, which resulted in refined petroleum delivery to the DPRK in violation of relevant UN sanctions. As part of this investigation, the Panel is also investigating possible violations of, inter alia, paragraph 32 of resolution 2321 (2016) and paragraph 36 of resolution 2270 (2016), which prohibit the provisioning of financial services, directly or indirectly, that could contribute to DPRK sanctions evasion activities.

According to information obtained by the Panel, four Hong Kong-registered companies (annex A) transferred more than USD 45 million from accounts held at China-based banks, to Sino Global Trade Co Ltd for the purchase of gasoil which was transferred to the DPRK via the vessel *Diamond 8*.¹ These transactions occurred between September 2019 and August 2020 (annexes B and C). In paying for the transfer of this gasoil to DPRK, these companies are acting in violation of the resolutions detailed above. Given that the Panel intends to detail the findings of its investigation in the next report, the Panel would be grateful for the following information:


- Please provide the beneficial ownership information for each company in annex A, to include shareholders, directors, and managers;
- Please provide financial records, including all deposits, incoming and outgoing wire transfers for each account held by the companies in annex B and C. Please provide a detailed description of the actions taken by your national authorities to ensure that the DPRK is no longer benefitting from illicit payments through the Hong Kong-based companies in annex A;
- Please provide a detailed description of the actions taken by your national authorities to ensure that the companies in Annex A, as well as the banks listed in Annex B, are no longer providing financial services, directly or indirectly, to DPRK entities;

Paragraph 6 of Security Council resolution 2569 (2021) urges all Member States and other interested parties to cooperate fully with the Panel of Experts, in particular by supplying any information at their disposal. The Panel would welcome any other information that you might consider relevant to its work as mandated by the Security Council in this regard. In addition, the Panel would like to assure you

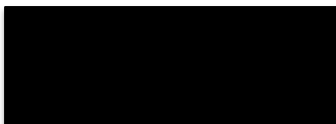
¹ For previous Panel reporting on the *Diamond 8*, see paragraphs 14 and 21 of S/2020/151, paragraphs 25, 30-31 of S/2020/840, and paragraph 49 of S/2020/211. The Panel has also reported on the *Diamond 8* in the 2021 mid-term report, S/2021/777, which is not yet published at the time of drafting.

H.E. Mr. Zhang Jun
Permanent Representative of the People's Republic of China
to the United Nations
New York

that any information you may consider confidential can be handled accordingly and used solely for the Security Council and the 1718 Committee.

Given the importance the Panel attaches to this investigation, we would be most grateful for any information to be supplied within six weeks of the date of this letter. Please reply by email to the Panel at dppa-poe1874@un.org. Should you wish to discuss this request, or any follow-up matters, please contact me through 

Please accept, Excellency, the assurances of my highest consideration.



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

Annexes:

Annex A: Hong Kong Registered Companies

Annex B: Summary of Financial Transactions and Accounts

Annex C: Bank Transfer Receipts, September 2019 to August 2020

Annex A: Hong Kong Registered Companies

The following Hong Kong-registered companies remitted payments to Sino Global between September 2019 and August 2020 for the purchase of gasoil, subsequently delivered to DPRK in transactions involving the vessel *Diamond 8*:

Name	Company Number
Hong Kong Stu Group Company Limited	2401566
Wanhr Trading Limited	2782517
Yield Gold Limited	1500069
Zfullboto Co., Limited	2792449

Annex B: Summary of Financial Transactions and Accounts

Aggregated totals of bank slips from September 2019 to August 2020.

<i>Remitter</i>	<i>Remitting Bank</i>	<i>Sum</i>
Hong Kong Stu Group Company Limited		\$4,312,419.00
Wanhr Trading Limited		\$6,990,000.00
Yield Gold Limited		\$22,544,239.00
		\$2,801,876.00
		\$1,206,264.00
Zfullboto Co Ltd		\$6,344,235.00
		\$852,836.00
Total		\$45,051,869.00

Annex C: Bank Transfer Receipts, September 2019 to August 2020

Annex C of the Panel's original letter to China contained 70 pages of bank transfer receipts from the four companies listed in Annex B to Sino Global for the purchase of gasoil. For the sake of brevity in this report, the Panel includes in this annex ten of those receipts. The Panel has redacted for this report (both from Annexes B and C of the original letter) the names of the remitting banks. Those redactions were not made in the original Annex to the Panel's letter to China.

23/10/2019 17:32 25111879

YUANTA BANK HK21

PAGE 01/05

Yuanta Commercial Bank Co., Ltd., Hong Kong Branch

SUITE 3418, 34/F, TWO PACIFIC PLACE, 88 QUEENSWAY, HONG KONG

Tel No. (852) 2511-1710 Fax No. (852) 2611-1878 SWIFT address: OVRH88HH

Yuanta Commercial Bank Co Ltd
Incorporated in Taiwan with limited liability of shareholders
元大商業銀行股份有限公司
民國72年設立 資本總額新台幣100億元

TO: SINO GLOBAL TRADE CO LTD

RM 1A-3 25F DAI-PIEN ROAD
KACHUNG TAIWAN<<INWARD REMITTANCE
PAYMENT ADVICH >>

Date : OCT. 23, 2019

Our Refno : IR99919C01504

Tel: 886 -7 -2695988 #

Fax: 886 -7 -2693053

Remitted Type : TEL. TRANSFER
By Order Of : YIELD GOLD LIMITED
ROOM 1304-1305, 13/F SUP TOWER KING'

Remitting Bank :

Value Date	:	OCT. 23, 2019
Beneficiary's A/C No	:	999020011056
Payee Name	:	SINO GLOBAL TRADE CO LTD
Amount of Remittance	:	USD 1,501,104.00
Exchange Rate	:	1.000000
USD Equivalent	:	USD 1,501,104.00
Commission	:	USD 7.00
Postage/Cable Charge	:	0.00
Exchange Comm.	:	0.00
Comm. Subtotal	:	USD 7.00
Total	:	USD 1,501,097.00

We have credited your A/C No. 999020011056 with us.

Remittance information :

THIS IS A COMPUTER GENERATED ADVICH, Yuanta Commercial Bank Co., Ltd., Hong Kong Branch
NO AUTHORIZED SIGNATURE IS REQUIRED.

24/10/2019 17:54 25111897

YUANTA BANK HK1

PAGE 01/02

Yuantai Commercial Bank Co., Ltd., Hong Kong Branch

SUITE 3418, 34/F, TWO PACIFIC PLACE, 88 QUEENSWAY, HONG KONG
Tel No.: (852)2511-1719 Fax No.: (852)2511-1679 SWIFT address: OUBH HK33Yuantai Commercial Bank Co., Ltd.
(Incorporated in Taiwan with limited liability of shareholders)
25111897 (01/2019)
2019年10月24日 17:54 25111897

TO: SINO GLOBAL TRADE CO LTD

RM 1A-3 25F HAI-PIEN ROAD
KACHSIUNG TAIWAN<<INWARD REMITTANCE
PAYMENT ADVICE >>

Date : OCT. 24, 2019

Our Refno : IR99919001513

Tel: 886 -7 -2695988 #

Fax: 886 -7 -2693053

Remitted Type : TEL. TRANSFER
By Order Of : YIELD GOLD LIMITED
ROOM 1304-1305, 13/F SUP TOWER KING'

Remitting Bank :

Value Date	:	OCT. 24, 2019
Beneficiary's A/C No	:	999020011056
Payee Name	:	SINO GLOBAL TRADE CO LTD
Amount of Remittance	:	USD 400,814.00
Exchange Rate	:	1.000000
USD Equivalent	:	USD 400,814.00
Commission	:	USD 7.00
Postage/Cable Charge	:	0.00
Exchange Comm.	:	0.00
Comm. Subtotal	:	USD 7.00
Total	:	USD 400,807.00

We have credited your A/C No. 999020011056 with us.

Remittance information :

THIS IS A COMPUTER GENERATED ADVICE, YUANTA Commercial Bank Co., Ltd., Hong Kong Branch
NO AUTHORIZED SIGNATURE IS REQUIRED.

28/09/2019 17:22 28111879

YUANTA BANK HONG KONG

TWER 01/04

Yunta Commercial Bank Co., Ltd., Hong Kong Branch

SUITE 3418, 34/F, TWO PACIFIC PLACE, 88 QUEENSWAY, HONG KONG

Tel No.: (852) 2511-1710 Fax No.: (852) 2511-1879 SWIFT address: CYTH333

Yunta Commercial Bank Co. Ltd.
Incorporated in Taiwan with limited liability of shareholders
元大商業銀行股份有限公司
台灣台北市信義區松山路100號

TO: SINO GLOBAL TRADE CO LTD


<<INWARD REMITTANCE
PAYMENT ADVICE >>RM 1A-3 25F HAI-PIEN ROAD
KACHUNG TAIWAN

Date : SEP. 20, 2019

Our Refno : IR99919001301

Tel: 886 -7 -2695988 #

Fax: 886 -7 -2693053

Remitted Type : TEL. TRANSFER
 By Order Of : WANIR TRADING LIMITED
 QUANZHOU SHI SHISHI SHI BAO DAO LU,
 Remitting Bank : 

Value Date : SEP. 20, 2019
 Beneficiary's A/C No : 999020011056
 Payee Name : SINO GLOBAL TRADE CO LTD
 Orig. Remittance Amt : 586,000.00
 Amount of Remittance : USD 586,000.00
 Exchange Rate : 1.000000
 USD Equivalent : USD 586,000.00
 Commission : USD 7.00
 Postage/Cable Charge : 0.00
 Exchange Comm. : 0.00
 Comm. Subtotal : USD 7.00
 Total : USD 585,993.00

We have credited your A/C No. 999020011056 with us.
 Remittance information :

THIS IS A COMPUTER GENERATED ADVICE. Yunta Commercial Bank Co., Ltd., Hong Kong Branch
 NO AUTHORIZED SIGNATURE IS REQUIRED.

日期 2019年 9月20日 17:23 09940

04/11/2019 17:29 25111879

YUANTA BANK HK21

PAGE 02/03

Yuantai Commercial Bank Co., Ltd., Hong Kong Branch
 SUITE 3418, 34/F., TWO PACIFIC PLACE, 88 QUEENSWAY, HONG KONG
 Tel No. (852) 2511-1719 Fax No. (852) 2511-1879 SWIFT Address: CYTHHK33

Yuantai Commercial Bank Co Ltd
 Incorporated in Taiwan with limited liability of shareholders
 元大商業銀行股份有限公司
 台灣成立之有限責任公司股東負有限責任

TO: SINO GLOBAL TRADE CO LTD

<<INWARD REMITTANCE
PAYMENT ADVICE >>


RM 1A-3 25F HAT-PIEN ROAD
 KAOHSIUNG TAIWAN

Date : NOV. 04, 2019

Our Refno : IR99919001576

Tel: 886 -7 -2695988 #

Fax: 886 -7 -2693053

Remitted Type : TEL. TRANSFER
 By Order Of : WANER TRADING LIMITED
 QUANZHOU SHI SHISHI SHI BAODAO LI,
 Remitting Bank : 

Value Date : NOV. 04, 2019
 Beneficiary's A/C No : 999020011056
 Payee Name : SINO GLOBAL TRADE CO LTD
 Orig. Remittance Amt : 532,000.00
 Amount of Remittance : USD 532,000.00
 Exchange Rate : 1.000000
 USD Equivalent : USD 532,000.00
 Commission : USD 7.00
 Postage/Cable Charge : 0.00
 Exchange Comm. : 0.00
 Comm. Subtotal : USD 7.00
 Total : USD 531,993.00

We have credited your A/C No. 999020011056 with us.
 Remittance information :

THIS IS A COMPUTER GENERATED ADVICE, YuanTai Commercial Bank Co., Ltd., Hong Kong Branch
 NO AUTHORIZED SIGNATURE IS REQUIRED.

03/09/2019 10:14 2511103/

YUNTA BANK HK1

PAGE 02/03

Yunta Commercial Bank Co., Ltd., Hong Kong Branch

SUITE 3416, 34/F, TWO PACIFIC PLACE, 88 QUEENSWAY, HONG KONG

Tel No.: (852) 2511-1719 Fax No.: (852) 2511-1878 SWIFT address: OUR08803H

Yunta Commercial Bank Co. Ltd.
Incorporated in Taiwan with limited liability of shareholders.
元大商業銀行股份有限公司
有獨立之資產及其公司股東為其股東責任

TO: SINO GLOBAL TRADE CO LTD

<<INWARD REMITTANCE
PAYMENT ADVICE >>RM 1A-3 25F HAI-PIEN ROAD
KACHSIUNG TAIWAN

Date : SEP. 03, 2019

Our Refno : IR99919001167

Tel: 886 -7 -2595988 #

Fax: 886 -7 -2593053

Remitted Type : TEL. TRANSFER
By Order Of : HONG KONG SJU GROUP COMPANY LIMITED
ADD. RM 1805 18/F OLYMPIA PLAZA 243

Remitting Bank :

Value Date : SEP. 03, 2019
Beneficiary's A/C No : 999020011056
Payee Name : SINO GLOBAL TRADE CO., LTD HONG
KONG, CHINAOrig. Remittance Amt : 251,153.00
Amount of Remittance : USD 251,133.00
Exchange Rate : 1.000000
USD Equivalent : USD 251,133.00Commission : USD 7.00
Postage/Cable Charge : 0.00
Exchange Comm. : 0.00
Comm. Subtotal : USD 7.00
Total : USD 251,126.00We have credited your A/C No. 999020011056 with us.
Remittance information :THIS IS A COMPUTER GENERATED ADVICE, Yunta Commercial Bank Co., Ltd., Hong Kong Branch
NO AUTHORIZED SIGNATURE IS REQUIRED.

機號 2019年 9月 3日 10時10分 機號0915

17/09/2019 18:31 25111897

YUANTA BANK HK1

PAGE 01/02

Yuanta Commercial Bank Co., Ltd., Hong Kong Branch

SUITE 3418, 34/F, TWO PACIFIC PLACE, 38 QUEENSWAY, HONG KONG

Tel No. (852)2511-1719 Fax No. (852)2511-1879 SWIFT address: OURM HKHH

Yuanta Commercial Bank Co. Ltd.

Incorporated in Taiwan with limited liability of shareholders.

元大商業銀行股份有限公司

台灣設立之無限責任公司股東負有限責任

TO: SINO GLOBAL TRADE CO LTD

RM 1A-3 25/F HAI-PIEN ROAD
KAOSIUNG TAIWAN<<INWARD REMITTANCE
PAYMENT ADVICE >>

Date : SEP. 17, 2019

Our Refno : IR99919001265

Tel: 886 -7 -2695988 #

Fax: 886 -7 -2693053

Remitted Type : TEL. TRANSFER
 By Order Of : HONG KONG STU GROUP COMPANY LIMITED
 ADD. RM 1805 18/F OLYMPIA PLAZA 243
 Remitting Bank : 
 Value Date : SEP. 17, 2019
 Beneficiary's A/C No : 999020011056
 Payee Name : SINO GLOBAL TRADE CO., LTD HONG
 KONG, CHINA
 Orig. Remittance Amt : 700,001.37
 Amount of Remittance : USD 699,981.37
 Exchange Rate : 1.000000
 USD Equivalent : USD 699,981.37
 Commission : USD 7.00
 Postage/Cable Charge : 0.00
 Exchange Comm. : 0.00
 Comm. Subtotal : USD 7.00
 Total : USD 699,974.37

We have credited your A/C No. 999020011056 with us.

Remittance information :

THIS IS A COMPUTER GENERATED ADVICE, Yuanta Commercial Bank Co., Ltd., Hong Kong Branch
 NO AUTHORIZED SIGNATURE IS REQUIRED.

匯款時間 2019年 9月17日 18:26分 匯款0338

FX015 104.03座 宣城

兆豐國際商業銀行
MEGA INTERNATIONAL COMMERCIAL BANK

匯入外匯水單及手續費收入收據
EXCHANGE MEMO AND CHARGE RECEIPT
國際金融業務分行(OBU)

☐ 匯入匯款買匯水單
☐ 匯入匯款交易編號
☐ 逾期升匯交割

日期:2020-05-27 15:29:07

幣別:USD 水單編號:OBC00052700004-0001 原契約書號碼:

匯入匯款編號: JHC01S00000117		匯款地區類別: 香港		交易金額: Amount USD*****695,970.00	
收款人名稱: 中文 SING GLOBAL TRADE CO LTD Payee 英文 SINO GLOBAL TRADE CO LTD				電匯 外匯款 匯款 來方 匯式 USD*****695,970.00	
Acct/check No. 00023753002088 統一編號(UD No.) AIZ00219280					
匯款分類名稱及編號:				匯款總額 USD*****695,989.00	
711 商仲貿易收入				存入外匯存款 USD*****695,979.00	
匯款人身分類: 國外 <input type="checkbox"/> 政府 <input type="checkbox"/> 企業 <input type="checkbox"/> 居民 <input type="checkbox"/>					
匯款人: /027841101089001 ZFULBOYO CO LTD RH 038-01 17/Y RWO HG SANG HONG CTR 151-153 NOI BUN RD				匯 Rate 29,950000	
				折合新臺幣金額 NT Dollar Equivalent TWD*****0000000000	
匯款銀行 				利息 Interest USD*****0.00	
傳帳號碼: CHASUS33 J. JPMORGAN CHASE BANK, N.A.				費用 郵電費 USD*****10.00 雜項手續費 USD*****0.00 費用總金額 USD*****10.00	
實付金額 NT\$ 本單總額付 TWD ***** Net Proceeds 總解付金額 TWD ***** ZERO 00/100 ONLY 本單提供兆豐商業銀行 USD695979.00					

第一聯：客戶存查

台端/貴公司之匯入款/光榮嘉款已陸續匯付此，明細如上

Please note that your inward remittance/check have been accepted and paid the details as above 經 辦 : 吳宜植

攤台交易

兆豐國際商業銀行	
內湖科學園區分行	
台	子填費收入印花稅總帳
負責人	鄧世綱

“中國人最聰明已環顧是充分明瞭未來及
對面，發行四人宣佈此項決議案八條第一項
書面聲明內容：The applicants hereby
declares that he/she has carefully read and
fully understood the ‘obligations to notify in
accordance with Paragraph 1 of Article 5 of
the Act’ printed on the back of this
declaration statement.

FX015 104.03 匯 兌 票

兆豐國際商業銀行
MEGA INTERNATIONAL COMMERCIAL BANK匯入外匯水單及手續費收入收據
EXCHANGE RECEIPT FOR INWARD REMITTANCE
☐ 匯入匯款買匯水單
☒ 匯入匯款交易憑證
☐ 匯入外匯交割

日期: 2020-05-29 14:52:45

幣別: USD 水單編號: 08C00052000012-0001

原契約書號碼:

匯入匯款編號: 08C000520000125	匯款池區別: 普通	交易金額 USD*****572,979.00	第一聯: 客戶存查
收款人名稱: 中文 SINO GLOBAL TRADE CO. LTD. Payee 英文 SINO GLOBAL TRADE CO LTD Acct/Cheek No. 00023758002088 統一編號(UD No.) AIZ00219280		匯票 外匯 匯款 來方 匯式 USD*****572,979.00	
匯款分類名稱及編號: 711 商仲貿易收入		匯款總額 USD*****572,980.00 匯方 存入外匯存款 USD*****572,979.00 匯式	
匯款人身分別: 國外 <input type="checkbox"/> 政府 <input type="checkbox"/> 公營事業 <input checked="" type="checkbox"/> 民間			
匯款人: /027841101089901 ZFOILLROYO CO LTD RM 033-01 17/F KED NO 3ANG DONG CTR 151-163 HOI BUN RD		匯 Exchange Rate 20.050000	折合新臺幣金額 NT Dollar Equivalent TWD*****00
匯款銀行: 		利息 Interest USD*****0.00	
轉帳銀行: CHASUS33 JPMORGAN CHASE BANK, N.A.		匯費 匯費 匯費 匯費 匯費 USD*****10.00 USD*****0.00 USD*****0.00 USD*****10.00	
實付金額 NTS 本單據解付 TWD*****0 Net Proceeds 網解付金額 TWD*****0 ZRR0 00/100 ONLY			
本單據供非票向銀清算用 USD572979.00			

台灣/貴公司之匯入款/光票等款已結結付訖, 明細如上。

Please note that your inward remittance/check have been settled and paid the details as above.

經辦: 吳宜樞

兆豐國際商業銀行	
內閣科學園分行	
行	卡坡費收入印花稅總匯
負責人	謝世儒

申請人謹聲明已詳閱並充分明瞭本水單
背面, 茲向本人聲明此項水單係由本行
發出, 且其內容與本行所發之水單無異。
The applicant hereby
declares that he/she has carefully read and
fully understood the "obligations to notify in
accordance with Paragraph 1 of Article 8 of
the Act" printed on the back of this
declaration statement.

FXD15 104.03版 宝武

兆豐國際商業銀行
MEGA INTERNATIONAL COMMERCIAL BANK

輸入外匯水單及手續費收入收據
EXCHANGE RECEIPT AND SERVICE CHARGE RECEIPT

☐ 匯入匯款買匯水單
☒ 匯入匯款交易憑證
☐ 逾期外匯交割

日期: 2020-05-29 14:50:10

幣制: USD

原案編號: DRC00052900011-0001

原來的零號碼：

匯入票號碼: 00000000124		匯款地區國別: 香港		交易金額: USD*****575,979.00	
收款人名稱: 中文 SINO GLOBAL TRADE CO LTD Payee 英文 SINO GLOBAL TRADE CO LTD		外匯匯款來源式: 國外匯入		USD*****575,979.00	
Acct/check No. 00023758002088 統一編號(I/D No.) A1Z00219280					
匯款分類名稱及編號: 711 商務貿易收入		匯款總額: 575,980.00		解方: 存入外匯存款	
匯款人身份別: 國外		<input type="checkbox"/> 政府 <input type="checkbox"/> 公營事業 <input checked="" type="checkbox"/> 民團		匯款式: 匯票	
匯款人: /027341101088901 ZFHLLBOTO CO LTD RM 03B-01 17/F KWO NG 'SAND BONG' CYR 151-153 NOI BUN RD		匯率 Exchange Rate: 20.050000		新台幣金額 NT Dollar Equivalent: TWD*****0000000000	
匯款附件: [Redacted]		利息 Interest: USD*****00.00		匯費: USD*****10.00	
特准銀行: CHASUS33 JPBORDAN CHASE BANK, N.A.		匯費: USD*****00.00		雜項手續費: USD*****00.00	
費用總金額: USD*****10.00		入			
實付金額 NTS 總附付金額 TWD*****0000000000 Net Proceeds ZERO '00/100' ONLY		本單據解付 TWD*****0000000000			
USD576979.00		本單據供亮賣商報請庫用			

第一聯：客戶有金

台帳/貴公司之匯入款/免憑票款已經結清付訖，明細如上

Please note that your inward remittance/check have been settled and paid the details as above.

世界文庫

兆豐國際商業銀行		內湖科學園區分行	
台	手續費收入即業稅總匯	北	
負責人	鄭世榮		


"中法入孫聲明已歸國並充分證明陳永來原
奔的，執行個人聲明第8款第六條第一項
加蓋印章內容。The applicant hereby
declares that he/she has credibly and fully
understood the "obligations to notify in
accordance with Paragraph 1 of Article 6 of
the Act" printed on the back of this
declaration statement.

PX015 104.03 壹張

兆豐國際商業銀行
MEGA INTERNATIONAL COMMERCIAL BANK匯入外匯水單及手續費收入收據
EXCHANGE MEMO AND CHARGES RECEIPT
兆豐金融業務分行(080)☐匯入匯款買匯水單
☒匯入匯款交易憑證
☐匯款外匯支票

日期: 2020-08-23 15:15:41

管別: USD 水單編號: 0BC00062300009-0001 庫契約書號碼:

匯入匯款帳號: 0BC01S00000178	匯款地區類別: 香港	交易金額: Amount USD*****141,329.00	第一聯: 客戶存查
收款人名稱: 中文 SINO GLOBAL TRADE CO LTD Payee 英文 SINO GLOBAL TRADE CO LTD	匯款種類: 外匯匯款 來方匯式	電匯 國外匯入 USD*****141,329.00	
Account No. 00023758002088 統一編號(UID No.) A1200210280	匯款金額: USD*****141,339.00	存入外匯存款 USD*****141,329.00	
匯款分類名稱及編號: 711 商仲貿易收入	匯款人身份別: 國外 <input type="checkbox"/> 政府 <input type="checkbox"/> 公營事業 <input type="checkbox"/> 民間		
匯款人: /027841101089901 ZFULLBOTO CO LTD RM 03B-01 17/F KVO HQ SANG HONG CTR 151-153 HOI BUN RD	匯款銀行: 	匯款日期: Interest: USD*****0.00	
匯款銀行: CHASUS33 JPHORGAN CHASE BANK, N.A.	匯費: 郵電費: 匯項手續費: 費用總金額:	折合美金金額: NT Dollar Equivalent 29.500000 TWD*****0 USD*****10.00 USD*****0.00 USD*****0.00 USD*****10.00	
實付金額 NT\$ 本單據解付 TWD*****0 Net Proceeds 捌解付金額 TWD*****0 ZKRO 00/100 ONLY			

本單據供兆豐商銀儲算用
USD141329.00

台端/貴公司之匯入款/光票票款已解匯付託, 明細如上

Please note that your inward remittance/check have been notified and paid the details as above 經辦: 吳宜禧
櫃台交易

兆豐國際商業銀行
內閣科學園區分行
台 手續費收入印花稅貼紙
負責人 鄧世鵬

申請人茲聲明已詳閱並充分明瞭本水單
內容, 並自願人等在此項匯入匯款第一項
中加蓋稅印等。The applicant hereby
declares that he/she has carefully read and
fully understood the "obligations to notify in
accordance with Paragraph 1 of Article 8 of
the Act" printed on the back of this
declaration statement.

Annex 85b: China's response to Panel enquiry

China responded as follows to the Panel's letter:

“After investigation, China finds no involvement in DPRK-related activities or trade of refined petroleum products by the four Hong Kong companies mentioned in the Panel's letter. Relevant banks also find no possible DPRK-related transactions with the clues provided by the Panel. We have full reason to question the credibility of the information sources. It is not the first time for some individual countries to unilaterally take illegal actions based on lies and false evidence. We hope the Panel will be more discerning.”

Annex 86a: Panel enquiry to UAE (finance)



REFERENCE: S/AC.49/2021/PE/OC.61

14 April 2021

Excellency,

I have the honour to write to you with regard to ongoing efforts of the Panel of Experts established pursuant to United Nations Security Council resolution 1874 (2009) to gather, examine and analyse information regarding the implementation of the measures imposed on the Democratic People's Republic of Korea (DPRK) by Security Council resolutions [1718 \(2006\)](#), [1874 \(2009\)](#), [2087 \(2013\)](#), [2094 \(2013\)](#), [2270 \(2016\)](#), [2321 \(2016\)](#), [2356 \(2017\)](#), [2371 \(2017\)](#), [2375 \(2017\)](#) and [2397 \(2017\)](#), in particular incidents of non-compliance.

The Panel is investigating possible violations of, *inter alia*, paragraph 32 of resolution 2321 (2016) and paragraph 36 of resolution 2270 (2016), which prohibit the supply of financial services, directly or indirectly, that could contribute to DPRK sanctions evasion activities. The Panel has obtained information that suggests that “Grace Way General Trading LLC” and “Zeeshan Bashir Building Materials Trading LLC”—two Dubai-registered companies—facilitated payments at the behest of “Jiangxi Hailian Petrochemical Co., Ltd” (annex A) to “Golden Luxury Corp” in or around October 2018. The purpose of these transactions was for the purchase of petroleum products, which were ultimately delivered to the DPRK. In its efforts to gather reliable and verifiable information, the Panel would be grateful for your assistance in supplying the following information:

- All corporate registration and beneficial ownership information for “Grace Way General Trading LLC” and “Zeeshan Bashir Building Materials LLC” (see annex B for company particulars);
- All financial accounts held by the aforementioned companies for the last five years; and
- All incoming and outgoing wire transfers for the last five years—to include sender/receiver details and wire transfer notes.

Paragraph 6 of Security Council resolution 2569 (2021) urges all Member States and other interested parties to cooperate fully with the Panel of Experts, in particular by supplying any information at their disposal. The Panel would welcome any other information that you might consider relevant to its work as mandated by the Security Council in this regard. In addition, the Panel would like to assure you that any information you may consider confidential can be handled accordingly and used solely for the Security Council and the 1718 Committee.

H.E. Mrs. Lana Zaki Nusseibeh
Permanent Mission of the United Arab Emirates
to the United Nations
New York, NY

Given the importance the Panel attaches to this investigation, we would be most grateful for any information to be supplied within one month of the date of this letter. Please reply by email to the Panel at dppa-poe1874@un.org. Should you wish to discuss this request, or any follow-up matters, please contact the Panel through [REDACTED]

Please accept, Excellency, the assurances of my highest consideration.

[REDACTED]
Coordinator of the Panel of Experts established
pursuant to Security Council Resolution 1874 (2009)

Annexes:

- Annex A: Payment Instructions
- Annex 2: Company Particulars

Annex A: Payment Instructions

Figure 1. Payment instructions from “Jiang Xi Hai Lian” to “Golden Luxury Corp.”

江西海联石油化工有限公司

To: 金豪有限公司

本公司委请ZEESHAN BASHIR BUILDING MATERIALS TRADING LLC及
GRACE WAY GENERAL TRADING LLC两家公司代支付货款给贵公司,请知悉!

江西海联石油化工有限公司

10/19/2018



Figure 2. Wire Transfer receipt from “Grace Way” to Golden Luxury Corp.”

View Transaction Details - Telegraphic Transfer				
Transaction Date	20-Oct-2018			
Transaction Reference	GOODS			
System Reference	10063189			
Debit Account	3708290221602			
Account Name	GRACE WAY			
Special Instructions to the Bank				
Total Indicative Debit Amount	USD 455,000.00			
Charges	Beneficiary			

Beneficiary				
SI No	Beneficiary	Pay Amount	Indicative Rate	Indicative Amount
1.	GOLDEN LUXURY CORP	USD 455,000.00	1	USD 455,000.00
	Beneficiary Address: NO224 HE 1ST RD ZHONGZHENG DIST KEELUNG CITY202 TAIWAN			
	Beneficiary Bank: DBS BANK LTD -			
	Account Number / IBAN: 00054686788			
	Bank Address: TAIPEI 101 TOWER 28F - B: NO. 7 NA NA TAIWAN,,Taiwan			
	Payment Details: PAYMENT FOR GARMENT			
	Transaction Type:			
	Payment Type:			
	Notify by Email: yang265335@gmail.com			

Annex B: Company Particulars

Source: UAE National Economic Register (https://cbls.economy.gov.ae/Search_By_BN.aspx)

Name	Est. Date	Bus. License. Number (local)	Responsible Manager
Grace Way General Trading LLC*	16/10/2016	768115	Cai Zhi Yang
Zeeshan Bashir Building Materials Trading LLC	18/09/2018	814492	Zeeshan Bashir Ahmad
Ding Sheng General Trading LLC**	05/11/2014	720242	Yi Tong

* There is a second Dubai-based company with a similar name: "Grace Way Trading LLC" (BL 779761). The Panel does not believe that this company is involved in the aforementioned transactions.

** The Panel notes that Ding Sheng General Trading shares a phone number with Grace Way General Trading LLC.

Annex 86b: UAE Reply to the Panel's letter in connection with UAE entities linked to payments made to Golden Luxury Corp

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للإمارات العربية المتحدة
لدى الأمم المتحدة
نيويورك

Ref: 2021/1598

17 December 2021

[REDACTED]
Further to letter reference S/AC.49/2021/PE/OC.61 (dated 14 April 2021) from the Coordinator of the Panel of Experts established pursuant to Security Council Resolution 1874 (2009), I am pleased to share the following information on behalf of the concerned authorities in the United Arab Emirates:

Information on Grace Way Company General Trading LLC

x Commercial License No. 768 115; x

Activity license: General trading;

x Operated by Kai Zhiang, national of China, passport No. E12435700, as

Director of the company; x Bank transfers were observed from Dubai Islamic Bank account of Grace Way Company General Trading LLC to GOLDEN LUXURY CORP, valued at a total of AED 116 million distributed over 70 transfers in the past five years.

[REDACTED]
**Panel of Experts established pursuant to
Security Council resolution 1874 (2009)**

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لدى الأمم المتحدة
نيويورك

Zeeshan Bashir Building Materials LLC

- x Commercial License No. 814492; x Activity license:
building materials trading;
- x Zeeshan Bashir Bashir, national of Pakistan, passport No. CJ3840062, as a manager;
- x Bank transfers were observed from the Emirates NBD Bank account belonging to the Zeeshan Bashir Building Materials LLC to GOLDEN LUXURY CORP, valued at a total of AED 329 million distributed over 205 transfers in the past five years.

Please accept the assurances of my highest consideration.

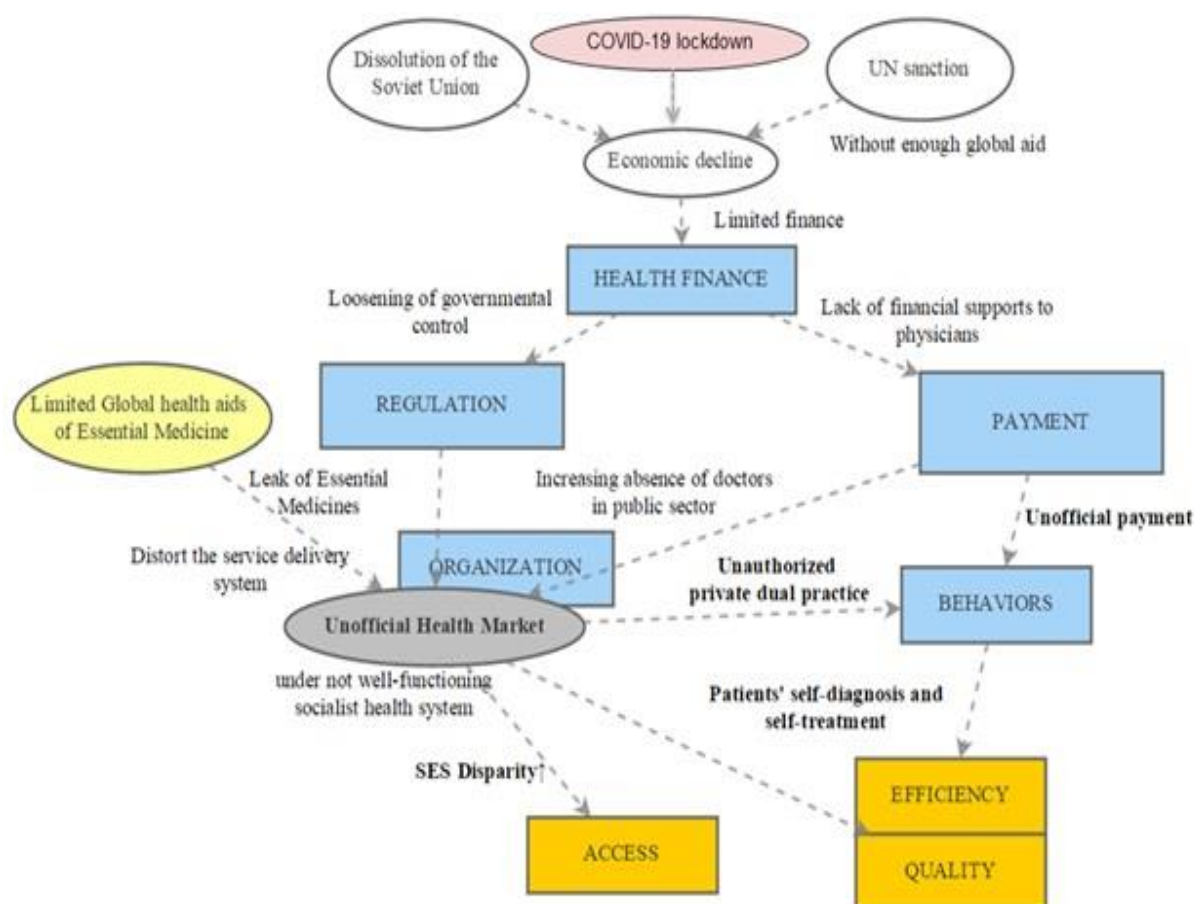


Mohamed Abushahab
Ambassador
Deputy Permanent Representative

Annex 87: The pathways of the impact of the international sanctions regime and the COVID-19 epidemic on the health system of the DPRK

The figure illustrates the tendency of commercialization of healthcare and growth of inequality in access to healthcare as the result of economic decline and other factors.

“Deepening marketization of healthcare practices without a supplementary social safety system seems to exacerbate the inequality of healthcare access between different socioeconomic groups in the DPRK, especially during the COVID pandemic crisis.”



Source :

<https://mailchi.mp/nautilus/napsnet-special-reportcovid-19-and-the-dprk-health-system-implications-for-an-inter-korean-biomedical-cluster-cooperation-and-ctr?e=cd46d00c05>

Annex 88: Some factors of UN sanctions' influence (S/2020/151, para. 209)

There can be little doubt that United Nations sanctions have had unintended effects on the humanitarian situation and aid operations, although access to data and evidence is limited and there is no reliable methodology that disambiguates United Nations sanctions from other factors, including unilateral sanctions regimes and domestic socioeconomic factors within the Democratic People's Republic of Korea. Nevertheless, the latest United Nations sanctions could exacerbate an already difficult situation in the country for those employed in sectors directly or indirectly affected by sanctions, as well as potentially disrupting supplies of necessities to the civilian population. The unintended consequences of sanctions on the humanitarian needs of the civil population might include the following:

- The disappearance of, or a decrease in, sources of livelihood for those employed in industries affected by United Nations sanctions and for repatriated overseas workers; this effect may be up to hundreds of millions of dollars, based on rough estimates.
- An increase in social marginalization as the elites respond to both United Nations and other sanctions by increasing control over scarce resources, including the “new market economy”, in some cases channelling these resources to purposes other than the needs of the population.
- Continued shortages of agricultural equipment and lack of fuel, exacerbating already low levels of mechanization in agriculture, which can limit harvest windows and compound food insecurity caused by adverse environmental conditions and mismanagement of domestic resources.
- Increases in the disruption of medical supply chains, which can significantly impact the chronically underfunded and inadequate health-care system in the Democratic People's Republic of Korea.
- The collapse of the United Nations banking channel and the subsequent lack of access to consistent and reliable financing jeopardizes supply chain operations and results in projects being suspended or stopped altogether. It has also created risky situations for humanitarian personnel.
- Financial institutions and private-sector entities continue to refrain from transactions tied to a high-risk jurisdiction. Moreover, some financial institutions draw no distinction between United Nations and unilateral sanctions. This affects the humanitarian operations in the Democratic People's Republic of Korea of the United Nations and other organizations, to include increased costs.

Annex 89: Question of Panel's survey to NGOs

In its efforts to examine and report to the 1718 Committee and the Security Council on unintended humanitarian impacts of UN sanctions, the Panel would be grateful for your responses to the following questions:

- 1) What is your assessment of the impact of UN sanctions on the humanitarian situation in the DPRK and how has that impact changed over time? What have been the effects of the restrictions related to the COVID-19 pandemic on the economic and humanitarian spheres, and in what way have these restrictions influenced the overall humanitarian situation? If possible, please include information or examples that support your assessment;
- 2) Please provide detailed information and data on whether your organization experienced reductions in operational capacity due to issues related to quarantine measures in the DPRK and / or implementation of UN sanctions. Such impacts might include:
 - a) cost and speed of the response,
 - b) “operational” problems (i.e. access to beneficiaries and quality of assistance),
 - c) staffing and partnerships (i.e. in-country staff and implementing partners),
 - d) perceptions (i.e. how humanitarian organizations are perceived in the areas they operate),
 - e) Safety,
 - f) self-restraint and “de-risking”
- 3) If your operations require humanitarian exemption approvals from the 1718 Committee, has the approval process met your needs? The Panel notes that the Committee adopted amendments to the humanitarian exemption approval process in November 2020, including expedited consideration of certain requests. What, if anything, could be further improved in the exemption process, or in the implementation of UN sanctions, to better meet your operational needs and objectives?
- 4) Could you propose ways in which humanitarian and UN sanctions actors might enhance mutual understanding of each other's objectives and methodologies?

Annex 90: Statements from NGOs regarding UN sanctions

The following quotes have been compiled from the responses to the Panel's survey to NGOs.

NGO 1

“Sustained border closure has had a profound negative impact on the flow of supplies, which the DPRK population heavily relied on to supplement the government efforts.”

“an already weak health system has been further weakened due to lack of medicines, supplies and support, that would translate into higher risk for the already vulnerable population because of reduced country capacity in managing diseases/health issues”

“As part of emergency measures introduced against COVID-19 in DPRK, strict movement restrictions were applied. International staff as well as the government seconded national personnel in international agencies were confined to the capital and not allowed to leave Pyongyang.”

“...the prolonged sanctions has resulted in the country's health system remaining weak. The initiatives needed to strengthen and develop the health system were not taking place, as the focus to supporting health was only geared towards responding to emergencies and humanitarian crisis such as during floods and typhoons. As a result, the health sector lacks the resources to develop strategies that would have been able to prevent and mitigate shocks and emergencies such as the COVID-19 pandemic.”

“... as per UN sanctions applicable in DPRK, the lack of a banking channel has been severely impacting the availability of in-country cash to support operations and programme implementation. Overall, due to absence of international staff in the country (owing to the closure of borders due to COVID-19) and the lack of sufficient cash (owing to UN sanctions), [NGO] programme implementation and operational capacity has been severely impacted causing over 60% budget allocations to remain unutilized during the last two years.”

“the sanctions committee has been helpful in facilitating expeditious clearances with regard to COVID-19 related equipment and supplies.”

“[NGO] also appreciates the fact that the exemptions may now be provided for a period longer than 6 months, (up to 18 months) for instance when the applicant provides a well-founded justification such as transportation delays related to a pandemic. This development is very helpful and welcome”.

NGO 2

“In the current situation of the country’s self-imposed border closure and self-imposed import restrictions, we deem that the UN sanctions currently do not have a major direct effect on the humanitarian situation.”

“...the humanitarian impact of the DPRK’s self-isolation because of COVID-19 is going to be severe and threatens to undo some of the progress made in areas such as food security, nutrition and health”

“The restricted movement of people is a concern especially for those requiring medical treatment, be it for chronic conditions, severe acute malnutrition (children) or tuberculosis. The supply of medical equipment and drugs is another concern. None of the international humanitarian actors that used to support the country’s health system has been able to import and distribute any goods since June 2020. Schools have been closed for extended periods, leading to a lot of missed classes, and possibly also to children missing out on food hand-outs that are usually provided at schools.”

“The COVID-19 pandemic preventive measures taken by the DPRK Government have strongly affected the ability of the NGO, the UN system and other international actors to deliver humanitarian goods and assistance.”

“In some cases in the past, the approval process [for exemption] was lengthy and required a lot of information to be collected. However, there has been a significant improvement in the approval process for humanitarian exemptions in the course of the last 2 years. We are satisfied with the procedures, and highly appreciate the extension of the validity of the exemptions from six months to one year. We further appreciate the improvements to the exemption process made through Implementation Assistance Notice No. 7. We welcome the joint call to work together to sustainably resolve the banking channel. This matter has further increased in urgency, as cash-carry in the current situation is not a feasible option”.

NGO 3

“In addition to the above challenges (looming stock-out of [medicine] which has short shelf-life, the long transit time, the difficulty in communicating with the Government, the need for conducting additional quality assurance of the supplies prior to the distribution) the increased quarantine period to 90 days entails unexpected costs such as high fees for port storage, demurrage and additional freight and electricity expenditure while the reefer container remains in the vessel”

“Despite repeated requests ...to MFA counterparts, no indication has been received from DPRK authorities on whether additional exemption will be granted for the import of life-saving commodities. [NGO] has therefore decided to suspend any further procurement of supplies to the DPRK until a formal authorization is provided for future procurement. [NGO] had to either cancel most of its procurement in 2020 or re-allocate the supplies to others... to remain cost-effective and reduce demurrage and storage fees.”

NGO 4

“[NGO] receives little support from donor funded projects and maintains personnel and offices mainly at its own costs. The cash reserves in the country are largely used up, so that [NGO] might consider closing its operations completely until a reopening of the borders.”

“... humanitarian actions in DPRK must aim at strengthening the resilience of the food system to avoid crisis before their inception. Therefore, field support might combine humanitarian assistance but also developmental characteristics. However, the overall target remains to improve the diet, health and well-being of the most vulnerable groups which still suffer from malnourishment and short supply of WASH and health items.

An improvement would be an option to transfer money to DPRK to support the management of our activities and avoid costly travel”

NGO 5

“In light of the near complete border closure by DPRK related to covid prevention measures, any sanctions related challenges are essentially secondary (or moot) at this point since shipments of humanitarian goods are not yet being permitted by the DPRK government to transfer.”

NGO 6

“The access and communication barriers imposed by the COVID 19 situation as well as the lack of secondary data from other sources make impossible for (NGO) to propose an analysis of the humanitarian situation evolution in regards with the current pandemic.”

“[NGO]’s operational capacity has been decreasing from the moment DPRK decided to impose strict quarantine measure in January 2020,…”

“New rules imposed by DPRK in February 2020, which were:

- No international flights and no entry visa issuance (making impossible the supply of cash and the rotation of international staff)
- Strict limitation of humanitarian equipment and material imports
- No access to the field for expatriate teams

These additional restrictions made impossible for [NGO] to keep implementing its projects within acceptable quality and integrity standards, forcing the organization to suspend all its activities.”

“[NGO] however decided to maintain its Pyongyang office opened to avoid losing its capacities to redeploy and relaunch its project when it will be possible. It should be noted that this decision to maintain this limited presence is not without budgetary consequences... Indeed, certain support running costs must be maintained, but they are not fully eligible for our financial partners and [NGO] will not be able to pay these costs with its own funds if the situation continues over time. Moreover, considering the impossibility to send cash to DPRK in the absence of international staff movement, [NGO] has therefore been accumulating debts since the suspension of its operations. ...In terms of future operational capacity, the restart of [NGO]’s activities in the country will imply a mission revitalization period (restart the coordination with the KECCA; relaunch discussion for designation of national staff; clean up liabilities; sending back international staffs to the country; assessing the situation of each suspended projects and restart the contact with farms and partners; importing the material and equipment blocked at the border; etc.)”

“Even though the COVID 19 related restrictions on importations decided by DPRK are responsible for this situation, it has to be mentioned that (NGO) currently has materials and equipment ...blocked at the border since January 2020. (NGO) has no choice since then to request extension of the exemption granted for this purchase to ensure it is still valid when the border reopens.”

“Additional extension of projects will probably be needed, inducing costs that were not initially planned; [NGO] coordinating with its financial partners and will propose adjustments to its projects once the situation will have been reassessed.”

“Despite the exemptions that are granted to the funds dedicated to humanitarian operations, it is common that banks delay or block the supply of cash, leading to additional administrative work on [NGO] side to unblock the situation... Since the sanctions have come to force, a drop in the number of suppliers applying for the tenders [NGO] open in the frame of the procurement of goods and equipment. This decrease in the potential supplier diversity has a direct impact on prices competitively, goods and equipment quality.”

“The exemption process provoked some delays during the first months after its implementation since the different stakeholders (...customs, NGOs, UNSC) had to adapt to this new regulation... [NGO] would recommend the following actions:

- the extension of the 6-month validity period granted for each exemption..... The current restriction on imports linked to the COVID 19 situation is a good example of this constraint: as mentioned previously, [NGO] had to request extension of the exemption due to the fact that the goods and equipment covered by the granted exemption are still blocked at the border”
- It might be interesting to think about possible solutions regarding the supply of cash constraints due to financial sanctions.
- Strengthen the link with authorities to facilitate the customs clearance process
- Make fast tracks when it comes to 1) amendment justified in terms of quantity 2) renewal in the event of expiration”.

NGO 7

“...food shortages must have worsened after [NGO] departure from the country, when the population was already suffering from malnutrition especially in the countryside”.

“Concerning quarantine measure in DPRK

The closing of the country had important financial consequences for [NGO]. Whilst the projects’ activities as well as the HR costs are suspended, other running costs (office and guesthouse rent and maintenance, vehicle maintenance and insurance and salaries for KECCA liaison officer, driver and cleaning lady) continue to be borne monthly by [NGO]. These costs are not fully eligible for support by funding partners and [NGO] is not in a position to pay the entirety of these costs with its own funds. Thus [NGO] has accumulated major debts... which would eventually slow down [NGO] resumption of activities when the country’s borders reopen ...”

“The lack of contact with people inside the country precludes maintaining relationships with local partners, understanding their current situation, and beginning negotiations for the future”.

“International, European and national sanctions imposed on DPRK are entirely respected by [NGO]. On two different occasions however, the imposed...sanctions prevented the general functioning of the organization, thus hindering the implementation of all activities:

- [NGO] still owns a bank account with the FTB (Foreign Trade Bank). This account is no longer in use: no transactions are done to and/or from this account, but a small sum of money ...is still retained on it. This account is however kept open in the event that banking channels to DPRK would be re-authorized by the UNSC Sanctions Committee in the future.
- [NGO] has an insurance contract with KNIC, despite the company being blacklisted. Vehicle insurance being mandatory and KNIC being the only entitled insurance company in the country, ...

PROBLEMS

...additional administrative workload: the administrative work related to sanction compliance slightly increases the workload of project managers and the Country Director. The legal expertise required to understand the information involved in the sanction mechanisms and the absence of a direct channel for resident INGOs to communicate with the UNSC Sanctions Committee has, on some occasions, proven detrimental to other tasks and responsibilities

Major delays in the deliveries:.... These delays resulted in major impacts on project’s implementation (and on the population’s well-being), such as the suspension of the transportation of food to children institutions and the lack of vegetable intake by children due to the insufficiency of winter production because of the absence of the procured pipes to be used for the construction of greenhouses. All in all, these delays are estimated to have affected up to 30,000 to 45,000 beneficiaries, mostly children.”

“Reduction of the number of suppliers answering tenders: several major suppliers stopped submitting offers...”

“Delays on project implementation: each slight modification of technical specification must be notified to the UNSC SC, which appears to increase the planned duration of the action. As so, some activities have been delayed and no-cost extensions have been requested to donors for some projects due to the duration extension of the purchase procedures.”

“In order to further improve this mutual understanding (NGO) has two suggestions:

- The first suggestion concerns the interaction within the UN sanctions actors. July 2021 exchange meeting with the „panel of experts from UNSC SC allowed us to better specify our needs and constraints. Such an initiative should be repeated regularly, especially when the borders are reopened.
- The second suggestion proposed by (NGO) concerns the communication regarding the UNSC SC resolutions against the DPRK. If the UNSC SC resolutions are amended or if new resolution passes, exchange workshops to introduce them and better integrate humanitarian specificities and exemption needs/processes would be an interesting development for mutual understanding between NGOs and UN sanctions actors.”

NGO 8

“The current situation in the Democratic People’s Republic of Korea (DPRK) remains dire and has been exacerbated within the past two years by the COVID-19 pandemic. The country currently finds itself on the verge of an economic and humanitarian crisis, resulting from a variety of factors, including draconian COVID-related restrictions and a fragile food and nutrition situation. The DPRK is taking advantage of the pandemic to tighten controls and oppress the North Korean people. The DPRK continues to impose severe restrictions on basic freedoms to contain the spread of the virus.”

“...all of these three factors potentially preventing a great famine [market access, information flows, more freedom to farming] have been undermined. First, under the pretext of COVID prevention, the DPRK leadership has cracked down on markets and cross-border trade. Second, under the same pretext, the DPRK leadership has cracked down on information getting into and out of the country and applied harsh judicial and extra-judicial punishment to North Korean nationals involved in such information exchanges. Third, natural disasters (flooding) have negatively impacted agricultural output and implicitly the food security of North Koreans. Consequently, the likelihood of a humanitarian emergency erupting in the DPRK is higher now than it would have been pre-COVID.”

“the DPRK has imposed strict COVID-19 border control measures since January 2020, which are likely having a humanitarian and human rights impact on ordinary North Koreans, regardless of UN sanctions measures...”

“it is not currently possible to discern whether UN sanctions measures are also having an impact on the North Korean people, or whether there is a causal relationship between UN sanctions measures and the humanitarian situation on the ground in the DPRK...”

“Based on anecdotal information,[by a source in Dandong]..., [NGO] believes that North Koreans, already highly vulnerable to food insecurity, may be dying due to the precarious food situation in the DPRK.”

“We assess that this dire situation is likely attributable to the North Korean leadership’s policies, including strict border controls for almost two years, rather than the “unintended impact of sanctions measures.” If there is a causal relationship between sanctions and the precarious food situation, it remains to be verified and should be investigated through on-the-ground factfinding by the UN and humanitarian organizations, in cooperation with the DPRK.”

“...some perspective on whether UN sanctions measures may have an unintended impact. Generally, raw minerals are exported from the DPRK to the PRC. Processed products, such as construction materials or machinery, are purchased again at high prices from the PRC... Due to sanctions, it is highly probable that there are difficulties with importing essential materials for key industries... Simply put, the sanctions against the DPRK will result in a shortage of fuel, machinery, construction materials, and more. This shortage of essential materials for these key industries can deal a blow to the North Korean leadership. The North Korean leadership’s financial power will be reduced due to the sanctions against the DPRK, as is the intent, which will hurt the sustenance of the regime. In other words, sanctions against the DPRK are a serious problem for its leadership because they can have a significant impact and damage its sustenance.”

“...it is in the DPRK’s interest to have sanctions lifted, and Kim Jong-un is signaling this to the international community without taking responsibility for his policies that are causing the dire humanitarian situation. ... the overall economic situation in the DPRK is difficult enough for Kim Jong-un to publicly mention the ‘second March of suffering’ (or the ‘Arduous March’). Atypically, he did not hide the situation and disclosed the difficulties the country faces. The reason for this messaging—one that was intentionally provided to the international community—is to assert the necessity of lifting sanctions against the DPRK by arousing public opinion in the international community that the DPRK is in a serious humanitarian crisis and desperately needs help from the international community. In other words, it is up to the international community to choose whether to just watch the North Koreans die of starvation or lift sanctions against the DPRK. However, the status of the fundamental reason why sanctions are in place, i.e. the DPRK’s nuclear and missile program development, remains unchanged.”

“In fact, there are voices that advocate for the lifting of sanctions in general against the DPRK because of the humanitarian crisis in the DPRK. This exacerbates the idea that sanctions are hurting the North Korean people. However, that perspective often lacks a factual understanding of the situation, beginning with the goods that are not allowed to be exported or imported by the DPRK as previously discussed. This thinking also serves to promote politically motivated agendas to call for an easing or cessation of DPRK sanctions measures.”

“[NGO] recommends that:

...UN bring people from different sectors and disciplines together to tackle the complex issues of a humanitarian crisis in the DPRK, the DPRK’s obligations to its people and the international community, and the UN sanctions regime. Representatives from civil society organizations, including humanitarian aid organizations and human rights organizations, the banking sector, United Nations officials, medical professionals, and DPRK officials, if possible, should hold open discussions and share information and perspectives to enhance and promote understanding.

...Special Rapporteur on the situation of human rights in the DPRK and representatives of the Office of the United Nations High Commissioner for Human Rights [should]be allowed unimpeded access inside the DPRK... Their visits would be opportunities to assess the impact of COVID-19 on aspects focused on human security in general, including the nutritional and health insecurity of vulnerable groups in the Democratic People's Republic of Korea. Such visits could serve as a precursor to conceptualizing and designing a comprehensive, sustainable, and inclusive approach to facilitate a more comprehensive dialogue, cognizant of the human security needs of the people of the DPRK, their human rights situation, and a United Nations Human Rights Up Front approach.

...To ask organizations requesting sanctions exemptions for additional, specific information on the intended locations of the disbursement of humanitarian aid as well as its beneficiaries. This would facilitate a better understanding for external monitoring of humanitarian aid and allow a more accurate determination as to whether the aid will be delivered in areas where the most vulnerable North Koreans reside.”

NGO 9

“...the unintended impact of sanctions on the civilian population would be difficult to gauge accurately, given the restricted access of international and non-governmental organizations and experts to the country.”

“... the unintended effects of sanctions on the work of international organizations and NGOs have been well documented (see UN and specialized agency reports and the information compiled by the National Committee on North Korea, <https://www.ncnk.org>.) Every effort should be made to resolve unnecessary restrictions on humanitarian relief to the civilian population.”

“...consideration of the sanctions issue would be well to be more broadly framed. The General Assembly resolution [A/C3/76/L.27]¹⁵³ calls on the United Nations system ‘as a whole’ to address the human rights situation in the country ‘in a coordinated and unified manner’... The government’s diversion of its resources to nuclear weapons and missiles at the expense of the needs and welfare of the civilian population are repeatedly raised by the General Assembly and Security Council. Although the DPRK has often put forward that sanctions are the main issue to be addressed by the international community, government-imposed restrictions, as noted above, on the civilian population in response to the covid-19 pandemic, and even earlier as a means to control and punish elements of the population, are also essential to examine. These restrictions directly impact food insecurity, severe hunger, malnutrition, widespread health problems and other hardship for the population as well as the human rights of the population”.

¹⁵³ <https://undocs.org/pdf?symbol=en/A/C.3/76/L.27>

NGO 10

“The current greatest concern in the DPRK is the economic decline, which includes food shortages from COVID-19 border closings. The DPRK economy was already in a vulnerable state due to sanctions, but now it is in a critical state.”

“It has been nearly impossible to transport goods inside the country, with there being only a few exceptions in the past two years. People have not been able to enter the DPRK since the borders were closed at the end of January 2020.”

“Recent information suggests that rice prices have doubled. A kilogram of rice used to cost 4 to 5 RMB, and currently it is 7.5 to 9.5 RMB per kilogram. Cooking oil is also 2 to 3 times higher in price. The central government is rationing food to ensure equal distribution throughout the country. Rice is rationed at 200 g per meal per person, which allows for a daily allotment of 600 g of rice per person. An individual is allowed to purchase 20 days’ worth of rice at a time, which totals to a 12 kg bag of rice.”

“Currently, food shortage is a primary concern. As long as the borders are closed, the nation’s economy will also continue to decline. In addition, fertilizer needs to be imported for the sufficient production of food. Unfortunately, in response to COVID, practically all imports and exports have been blocked due to border closings.”

“UN Sanctions have posed additional hurdles to providing humanitarian assistance to the people of DPRK. While we understand that the process of receiving UN sanctions exemptions has improved significantly, we have not been able to test it ourselves due to the lack of shipments since North Korea’s COVID-related border closure.”

“We believe that the pandemic has likely deteriorated the humanitarian situation inside the country. However, since we have not been able to visit the country since the end of 2019, and because of the limited flow of information from inside the country, it is difficult to provide examples or supporting data. Given the drastic decrease in food and other imports from China, coupled with a virtual cessation of all international assistance (provided by the UN and INGOs), not to mention the natural disasters that negatively impacted harvests, we can surmise that the people of North Korea are in increased need of food and medicines, especially the vulnerable populations.”

“Prior to the COVID pandemic, global sanctions had already aggravated the humanitarian situation in the DPRK. Please refer to the comprehensive report entitled, “The Human Costs and Gendered Impact of Sanctions on North Korea” published in October 2019, for details on the direct impact sanctions have had on the DPRK.”

“The amendments to the humanitarian exemption approval process in November 2020 were helpful. Unfortunately, apart from U.N. sanctions, the problem with U.S. sanction exemptions remains. The most difficult of these approvals is the U.S. Treasury License. In addition, approval for Special Validation Passports from the Department of State has been inconsistent. Therefore, even though the U.N. exemption process has improved, the problem with sanctions remains because organizations usually need to obtain U.S. licenses before even applying for a U.N. exemption.”

“The U.N. needs to create permanent exemptions for humanitarian organizations, including a “whitelist” for medical and agricultural equipment. This will make it unnecessary for humanitarian organizations to even apply for exemptions and allow them to adequately provide pandemic, medical, and agricultural relief to the DPRK. In the midst of not only a global pandemic but also a food security crisis, it is crucial that humanitarian aid is unhindered and received in a timely manner in the DPRK”.

NGO 11

“It could potentially be helpful to humanitarian actors for UN Sanctions actors to explain in more detail why certain commodities (for example 'metal goods', including clearly humanitarian items such as medical goods, agricultural goods, or clean water goods) are being sanctioned in such a blunt way, and without more nuance? Perhaps with dialogue between the two sides, there could be tighter targeting of UN sanctions to only affect the truly problematic dual use items, leaving the broader categories of goods needed for various humanitarian purposes greenlighted, and outside the bounds of required action by the UN Sanctions Committee ...”

NGO 12

“Obviously, the biggest issues were in 2017-2018 as [NGO] were trying to navigate both the new UN sanctions, and the new Treasury sanctions (which the UN is not concerned about) - but now the real snags and confusion caused by both of those issues (and the time it took to work out a "process" for review/approval of exemptions/licenses) have largely been resolved and/or the process made more clear with time. Yes, it has resulted in a lot more time-consuming work for [NGO], but the process is now doable, and somewhat more predictable.”

“...the approval process since 2019/2020 has been much more responsive to [NGO] needs. Other than providing a blanket exception (rather than requiring exemption applications) for certain approved humanitarian projects/organizations - which would be really helpful, the more nimble response by the Committee and their greater flexibility on granting extensions, etc. has been very helpful.”

NGO 13

“.. the absence of a banking channel allowing for the conveyance of operating funds by the international aid community into the DPRK has devastating implications for the neediest of its citizens.”

Annex 91: Information on humanitarian operations in 2021

WHO informed the Panel that “*Two shipments containing essential medicines for non-communicable diseases, tuberculosis and malaria prevention reached Nampo seaport respectively on 7 August 2021 and 2 September 2021 and are since then placed in a 90-days quarantine*”. United Nations Population Fund (UNFPA) informed that “the UNFPA’s refer container was loaded onto vessel on 01 September 2021.”

Annex 92: Additional information on export entries provided by Thailand

With regards to its trade between 2018-2020, Thailand previously informed the Panel that 12 export entries with the DPRK as the destination had been withdrawn.¹⁵⁴ During this reporting period, Thailand has provided subsequent information to the Panel regarding several export entries, which were withdrawn due to mistaken use of KR/KP country codes. The local companies involved, Inter Rim Company Limited, authorized by Fujikura Electronics (Thailand) Co., Ltd. and EIC Semiconductor Co. Ltd., had been exporting its goods to the ROK, not the DRPK (see figures 92-1 and 92-2).

Figure 92-1: Inter Rim Company Limited / Fujikura Electronics (Thailand) Co., Ltd.



¹⁵⁴ S/2021/777, para. 123 and annex 52.

**Additional Information to supplement the Panel of Experts
established pursuant to UNSC resolution 1874 (2009)'s
midterm report on the work of the Panel of Experts (S/2021/777)**

The Royal Thai Government has received additional information on export entries as previously requested by the Panel from Inter Rim Company Limited and wishes to convey the following information:

1. The Ministry of Foreign Affairs of Thailand received a letter with supporting documents from Inter Rim Company Limited, authorized by Fujikura Electronics (Thailand) Co., dated 24 December 2021 explaining the withdrawal of two export entries, with regard to the shipments of goods mentioning the DPRK as reflected in the Panel's midterm report dated 8 September 2021.

2. As the midterm report mentioned the two misfiled export entries, Inter Rim Company Limited is concerned that the information may cause significant damage to the Company and its associates (Attachment 1). The Company has contacted the Department of Customs of Thailand to verify the cancellation of the two export entries and provided proof of evidence to support its case. (Attachments 2-3)

3. As mentioned in the midterm report, mistaken usage of country codes, in which the country code for the DPRK (KP) is entered wrongly in the place of the country code for the ROK (KR), the actual trade partner, is frequently cited as a problem. This is also the case for Thailand. Since Inter Rim Company Limited has shown its good faith and openly shared its concerns, it would be highly appreciated if the Panel could undertake actions that will reflect the aforementioned information at the earliest opportunity in order to avoid misunderstanding and unintended consequences for the Company concerned.

* * * * *

Attachment1 เอกสารแนบ 3

**Mass Transport Express Co., Ltd.**

วันที่ 24 ธันวาคม พ.ศ. 2564

เรื่อง การชี้แจงข้อมูลเกี่ยวกับการส่งออกของกรมศุลกากร และยื่นร้องขอเพื่อลบข้อมูลออกจากระบบ
 เวียน อธิปไตยกรมการค้าระหว่างประเทศ
 สิ่งที่เกี่ยวข้อง

- | | |
|--|--------------|
| 1. หนังสือที่ กศ ๐๕๐๖/๒๕๖๔๕๔ เรื่อง การยกเลิกใบขนสินค้าขาออก กรณีตรวจพบการสำแดงประเทศปลายทางคลาดเคลื่อน ลงวันที่ 23 ธันวาคม 2564 | จำนวน 1 ฉบับ |
| 2. หนังสือจากคณะกรรมการความมั่นคงแห่งสหประชาชาติ ลงวันที่ 8 กันยายน 2564 | จำนวน 6 หน้า |
| 3. สำเนาใบขนสินค้าขาออกที่ถูกยกเลิกแล้ว เลขที่ A0121630309810 ลงวันที่ 12-03-2563 | จำนวน 1 ชุด |
| 4. สำเนาใบขนสินค้าขาออกที่ถูกยกเลิกแล้วเลขที่ A0231630405508 ลงวันที่ 23-04-2563 | จำนวน 1 ชุด |
| 5. สำเนาใบขนสินค้าขาออกที่จัดทำใหม่เลขที่ A0121630315425 ลงวันที่ 12-03-2563 | จำนวน 1 ชุด |
| 6. สำเนาใบขนสินค้าขาออกที่จัดทำใหม่เลขที่ A0231630407861 ลงวันที่ 23-04-2563 | จำนวน 1 ชุด |

ตามที่บริษัท อินเตอร์วิม จำกัดได้มอบอำนาจจากบริษัท พูจีดูระ อีเล็คทรอนิกส์ (ประเทศไทย) จำกัด ในการดำเนินการพิธีการศุลกากรส่งออกสินค้า ตามใบขนเลขที่ A0121630309810 ลงวันที่ 12-03-2563 และฉบับเลขที่ A02316305508 ลงวันที่ 23-04-2563 ขณะทำการตรวจปล่อยกับศุลกากรได้ตรวจสอบพบว่า ได้ลงชื่อประเทศปลายทางคลาดเคลื่อนจากเกาหลีเหนือ (KP) ทั้ง 2 ฉบับ ซึ่งประเทศปลายทางที่ถูกต้องคือประเทศ เกาหลีใต้ (KR) บริษัทจึงได้ยื่นคำร้องขอยกเลิกใบขนสินค้าขาออกทั้ง 2 ฉบับ และเจ้าหน้าที่กรมศุลกากรได้ทำการยกเลิกใบขนสินค้าทั้ง 2 ฉบับหลังจากนั้นได้ดำเนินการจัดทำใบขนสินค้าฉบับใหม่ ได้แก่ ใบขนสินค้า A0121630315425 ลงวันที่ 12-03-2563 และ ใบขนสินค้า เลขที่ A0231630407861 ลงวันที่ 23-04-2563 และดำเนินการส่งออกสินค้าไปยังประเทศเกาหลีใต้เป็นที่เรียบร้อยแล้ว สถานะใบขนสินค้าเป็น 0409 ทั้ง 2 ฉบับ

หลังจากการส่งออกแล้วเสร็จสมบูรณ์ บริษัทได้ตรวจสอบเอกสารคณะกรรมการความมั่นคงแห่งสหประชาชาติ ลงวันที่ 8 กันยายน 2564 ปรากฏว่ามีปัญหามากมาย ระบุเลขที่ใบขน A0121630309810 ลงวันที่ 12-03-2563 และฉบับเลขที่ A02316305508 ลงวันที่ 23-04-2563 และ ชื่อผู้ส่งออกบริษัท พูจีดูระ อีเล็คทรอนิกส์ (ประเทศไทย) จำกัดเป็นผู้ส่งสินค้าออกไปยังประเทศเกาหลีเหนือ ซึ่งตามข้อเท็จจริงแล้ว บริษัทฯ มิได้ส่งของดังกล่าวไปยังประเทศเกาหลีเหนือ จึงได้มีการชี้แจงความอนุเคราะห์ไปยังกรมศุลกากร เพื่อให้ตรวจสอบการส่งออกของใบขนทั้ง 2 ฉบับนี้ ซึ่งกรมศุลกากรจึงได้มีหนังสือแจ้งกลับมาถึงบริษัทตามหนังสือที่ กศ ๐๕๐๖/๒๕๖๔๕๔ เรื่อง การยกเลิกใบขนสินค้าขาออก กรณีตรวจพบการสำแดงประเทศปลายทางคลาดเคลื่อน ลงวันที่ 23 ธันวาคม 2564 ซึ่งได้แจ้งให้บริษัททราบว่า ใบขนทั้ง 2 ฉบับนี้ได้ถูกยกเลิกเป็นที่เรียบร้อยแล้ว และได้ส่งออกที่ถูกต้องตามใบขนเลขที่ A0121630315425 ลงวันที่ 12-03-2563 และ ใบขนสินค้า เลขที่ A0231630407861 ลงวันที่ 23-04-2563 ประเทศปลายทางคือประเทศเกาหลีใต้

ตามรายละเอียดดังกล่าวข้างต้น บริษัทมีความประสงค์ ที่จะให้ขอความอนุเคราะห์จากกระทรวงต่างประเทศในการประสานงานกับคณะกรรมการความมั่นคงแห่งสหประชาชาติ เพื่อลบข้อมูลดังกล่าวออกจากระบบให้แก่ทางบริษัทด้วย ทั้งนี้เพื่อลดปัญหาและอุปสรรคในทางการค้าและทางธุรกิจที่มีผลกระทบต่อบริษัท พูจีดูระ อีเล็คทรอนิกส์ (ประเทศไทย) จำกัด

จึงเรียนมาเพื่อโปรดพิจารณา ขอความอนุเคราะห์ในครั้งนี้

ขอแสดงความนับถือ

(พระบาทสมเด็จพระวชิรเกล้าเจ้าอยู่หัว)
 กรรมการผู้จัดการ



December 24, 2021

Subject: Clarification of information about the export of the Customs Department and submit the request to delete the information from the UN system

Dear Director-General, International Organization

Attachment:

1. Books at Kor. 0506/21699 Referring to the cancellation of outgoing goods In case of manifestation, the destination country is moved on December 23, 2021, 1 issue.
2. Copy of the book from the United Nations Security Council dated 8 September 2021, 6 pages
3. The copy of the output product at the Customs Department has already been canceled No.012163039810 dated 12-03-2563 1 set and A0231630405508 dated 23-04-2563 1 set
4. Copy of the new outbound goods that produce the number. A0121630315425 dated 12-03-2563 and A0231630407861 dated 23-04-2563 1 set

According to Inter Rim Company Limited, authorized by Fujikura Electronics (Thailand) Co., Ltd. has operated the export customs clearance. According to the leaves A0121630309810 dated 12-03-2563 and A02316305508 Dated 23-04-2563 while checking the product with the customs authorities Check the destination country in both product leaves in the form of 2 cases. Accurate, the destination country must be South Korea (KR), therefore filed a request for cancellation of both products and the customs clearance. Output product A0121630315425 Dated 12-03-2563 and A0231630407861 dated 23-04-2563 and export products to South Korea until complete completion the status of the shape of the product in the customs system appears. The status is 0409 (has already exported the product to foreign countries).

After the delivery of goods to South Korea is complete The Company has examined the Era of the United Nations Security Council dated 8 September 2021. Get a system number that has been canceled in the system of the customs system. Both 2 are A01216303810 and A02316305508. The sender name is Fuji Kura Electronic (Thailand) Co., Ltd. is the sender of North Korea. Which according to the facts did not deliver such products to North Korea in any way In order to obtain accuracy in such cases, the company therefore has a letter requesting courtesy to the Director-General of the Customs Department. In order to check the export of the product of the two outbound products that have the correct facts The Director of the Director of the Customs Department has a notification of the audit results back to Fujikura Electronic (Thailand) Co., Ltd. according to the books at Kor. 0506/21699 on the cancellation of the outbound product. In case of detecting the arrangement of the destination country, the error dated 23 December 2021, in the notice that 2nd output products, No.012163039810 and A0231630405508 That shows the destination country as North Korea has been the Customs Conduction of exports And have a new export To South Korea According to the output product leaf A0121630315425 dated 13-03-2563 and A0231630407861 dated 23-04-2563

According to the details mentioned above, Fujikura Electronics (Thailand) Co., Ltd. wishes to ask for help from the Ministry of Foreign Affairs to coordinate with the United Nations Security Council. To delete the output data that appears in the account at the United Nations Security Council, the issue of the issue of September 8, 2021, to the company. In order to reduce the problem and obstacles in the trade and business that affects Fujikura Electronic (Thailand) Co., Ltd.

Please be informed accordingly. Ask for help this time.

Sincerely

A solid black rectangular box used to redact the signature of the Managing Director.

Managing director



ที่ กค ๐๕๐๖/๒๐๖๔

กรมศุลกากร
๑ ถนนสุนทรโกษา คลองเตย
กรุงเทพมหานคร ๑๐๑๑๐

๒๓ ธันวาคม ๒๕๖๔

เรื่อง การยกเลิกใบขนสินค้าขาออก กรณีตรวจพบการสำแดงประเทศปลายทางคลาดเคลื่อน
เรียน กรรมการผู้จัดการบริษัท พูจีซูระ อีเล็คทรอนิกส์ (ประเทศไทย) จำกัด

อ้างถึง หนังสือบริษัทพูจีซูระ อีเล็คทรอนิกส์ (ประเทศไทย) จำกัด ลงวันที่ ๙ ธันวาคม ๒๕๖๔

ตามหนังสือที่อ้างถึง บริษัท พูจีซูระ อีเล็คทรอนิกส์ (ประเทศไทย) จำกัด ขอความอนุเคราะห์
กรมศุลกากรในการตรวจสอบใบขนสินค้าขาออกเลขที่ A๐๑๒๑๖๓๐๓๐๔๘๓๐ และ A๐๒๓๑๖๓๐๔๐๕๕๐๔
เพื่อทางบริษัทฯ จะได้นำข้อมูลไปชี้แจงต่อคณะกรรมการความมั่นคงแห่งสหประชาชาติต่อไป นั้น

กรมศุลกากร โดยสำนักงานศุลกากรตรวจสินค้าทำอาภาศยานสุวรรณภูมิ ส่วนบริการศุลกากร ๒
ฝ่ายบริการศุลกากรที่ ๒ ขอเรียนว่าใบขนสินค้าขาออก A๐๑๒๑๖๓๐๓๐๔๘๓๐ และ A๐๒๓๑๖๓๐๔๐๕๕๐๔
ได้ดำเนินการยกเลิกการส่งออก และสินค้าดังกล่าวได้มีการส่งออกเรียบร้อยแล้วตามใบขนสินค้าขาออกเลขที่
A๐๑๒๑๖๓๐๓๑๕๕๐๕ และ A๐๒๓๑๖๓๐๔๐๕๖๖๑ ตามลำดับ

จึงเรียนมาเพื่อทราบ

ขอแสดงความนับถือ



ผู้อำนวยการสำนักงานศุลกากรตรวจสินค้าทำอาภาศยานสุวรรณภูมิ ปฏิบัติราชการแทน
อธิบดีกรมศุลกากร

สำนักงานศุลกากรตรวจสินค้าทำอาภาศยานสุวรรณภูมิ
โทรศัพท์ ๐ ๒๑๓๔ ๐๖๔๘

At. Kor Kor. 0506/21699

December 23rd, 2021


Subject the cancellation of the export declaration In case of declaration of destination country inaccurate
To Managing Director of Fujikura Electronics (Thailand) Co., Ltd.
Reference Fujikura Electronics (Thailand) Co., Ltd. letter dated on December 9th, 2021.

Reference Fujikura letter to request for reconfirmation of No. A0121630309810 and A0231630405508 in order for Fujikura to use this confirmation to explain to the United Nations Security Council.



Thai customs at Bangkok airport (service unit 2) would like to confirm that export entries A0121630309810 and A0231630405508 had been cancel from export. The cargo had been exported successfully under export entries A121630315425 and A0231630407861 instead.

Please be informed accordingly.

Best regards


Director of the Customs Bureau Suvarnabhumi Airport Acting on behalf of the Director-General of the Customs Department

407/423

เลขที่ใบขน A0121630309810		กศก. 101/1 แผ่นที่ 2
สำเนาใบแจ้งขอตรวจ Inspection Request No Assessment Request No Cargo Packing Type 9 - Other cargo types	บันทึกการตรวจสอบพิธีการ	
บันทึกการร้องเรียนและประสานงาน	บันทึกการประเมินอากร	
บันทึกการนำส่ง	บันทึกการวิเคราะห์สินค้า	
บันทึกการตรวจ	บันทึกการปล่อย	
บันทึกการรับบรรจุ AWB. No. 1. 98529034234 / PLITH2B00770 Vessel / Voyage QZ744 Release / Load 1191 12-03-2563 16:54:26 /		
		
		
STATUS=0301 12-03-2563 16:54:26 ขอรับรองว่าข้อมูลถูกต้องได้รับรองการบรรจุและ ส่งออกสำเนาตามระเบียบพิธีการศุลกากรในรูปแบบ อิเล็กทรอนิกส์แล้ว (ชื่อผู้ส่งของออก / ผู้รับมอบ) MR.HIDEKI TOMITA TR4672922 วันที่ขึ้น 12-03-2563		

ใบกำกับการขนถ่ายสินค้าทางอากาศยาน A012 1630309810

หมายเลขอ้างอิง: DNVY000002972 เลขที่ 

ข้าพเจ้า บริษัท พิวริยะ อีเล็คทรอนิกส์ (ประเทศไทย) จำกัด เลขที่ประจำตัวผู้เสียภาษีอากร 0136563004429

ที่อยู่ เลขที่ 1/30 สวนอุตสาหกรรมโรจนะ หมู่ที่ 5 ถนนโรจนะ ความแอม อุทัย พระนครศรีอยุธยา 13210

เพื่อส่งของทาง: 1190-สนามบินสุวรรณภูมิ e-Seal

เที่ยวบิน	วันที่อากาศยานออก	เลขที่ใบตราส่ง (Airway Bill No)	คลังสินค้าที่ส่งของ	จำนวนกล่องรวมหน่วย	น้ำหนักรวมหรือหน่วย
OZ744	14-03-2563	Master 96826034234  House PLTH2800770 	1191 TG	12 CT	59.320 KGM

Job code M06-12/03/20

บริษัท พิวริยะ อีเล็คทรอนิกส์ (ประเทศไทย) จำกัด

(ผู้ส่งของออกให้)

วันเดือนปีที่ขึ้นเอกสาร 06-12-2554 14:32:34

หมายเหตุ การแก้ไขจำนวนหรือผู้จัดส่งอาจมีขึ้นได้กับการแก้ไขใบรับรองว่าข้อมูลที่เป็นความจริง หากไม่ถูกต้อง ผู้ที่เกี่ยวข้องขอรับเงินค่าปรับตามกฎหมาย

Invoice no. RGA1721 12/03/20

ช่องบันทึกเจ้าหน้าที่ศุลกากร

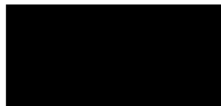
☐ ตัดบัญชีใบกำกับฯ (Green Line)
 ☐ ตรวจสอบพัสดุสินค้า (Red Line)

(เจ้าหน้าที่ศุลกากร).....

วันเดือนปีตรวจสอบ.....



ฉีก







A0231630405508_M05-22/04/20_23-Apr-2020

ไบชนสินค้ำชาออก

A023 1630405508

1999, 10/11

UNIS-230126 06/12/21 14:34 PONSUDA

เลขที่ใบขน A0231630405508		กทก. 101/1 ฉบับที่ 2
สำเนาใบส่งของของ Inspection Request No Assessment Request No Cargo Packing Type 9 - Other cargo types	บันทึกการตรวจสอบพิธีการ	
บันทึกการร้องเรียนและปริมาณงาน	บันทึกการประเมินภาระ	
บันทึกการนำส่ง	บันทึกการวิเคราะห์สินค้า	
บันทึกการตรวจ	บันทึกการปล่อย	
บันทึกการรับบรรจุ AWB. No. 1. 9883135575 / PLTH2901102	Vessel / Voyage OZ742	Release / Load 1191 23-04-2563 13:41:01 /
		
		
STATUS=0301 23-04-2563 13:41:01 รอรับของว่าด้วยมูลค่าต้องได้รับรองการบรรจุและ ส่งออกสำเนาตามระเบียบพิธีการศุลกากรในรูปแบบ บันทึกการออกสินค้า (ชื่อผู้ส่งของออก / ผู้รับมอบ) MR.HIDEKI TOMITA TR4672922 วันที่ยื่น 23-04-2563		

ใบกำกับการขนส่งสินค้าทางอากาศยาน

A023 1630405508

หมายเลขอ้างอิง..... DNVY000003424		เลขที่.....			
เจ้าหนี้ บริษัท พูจิอุระ อีเล็กทรอนิกส์ (ประเทศไทย) จำกัด		เลขที่ประจำตัวผู้เสียภาษีอากร..... 0136553004429			
ที่อยู่ เลขที่ 1/80 ถนนสุขุมวิทซอย 1 หมู่ที่ 5 ถนนวิภาวดี พหลโยธิน กรุงเทพมหานคร 13210					
ส่งของจาก..... 1190-สนามบินสุวรรณภูมิ		e-Seal			
เที่ยวบิน	วันที่อากาศยานออก	เลขที่ใบตราส่ง (Airway Bill No)	คำสั่งสินค้าที่ส่งออก	จำนวนสินค้ารวมหน่วย	น้ำหนักรวมหีบห่อหน่วย
OZ742	24-04-2563	Master 98831355575 House PUTH2B01102 	1191 TG	9 CT	42.590 KGM
Job code M05-22/04/20 บริษัท พูจิอุระ อีเล็กทรอนิกส์ (ประเทศไทย) จำกัด (ผู้ส่งของออก/ตัวแทน) วันที่ขึ้นบิลที่ส่งเอกสาร..... 08-12-2564 14:34:19 หมายเหตุ การแก้ไขจำนวนสินค้า ผู้ที่ลงลายมือชื่อเกี่ยวกับการแก้ไขเป็นผู้รับรองว่าข้อมูลที่เป็นจริง หากไม่ถูกต้อง ผู้ที่แก้ไขต้องยอมรับความผิดตามกฎหมาย Invoice no. RGA2847 22/04/20			ช่องบันทึกเจ้าหน้าที่ศุลกากร <input type="checkbox"/> ตัดบัญชีใบกำกับฯ (Green Line) <input type="checkbox"/> ตรวจสอบสินค้า (Red Line) (เจ้าหน้าที่ศุลกากร)..... วันที่ขึ้นบิลเวลา.....		



ผิด

ឧបសគ្គ 10 ប្រាំ
ឧបសគ្គ 1/2

413/423

ใบกำกับการขนส่งสินค้าทางอากาศยาน


A012 1630315425

หมายเลขอ้างอิง..... DNVYD00002985		เลขที่.....			
ผู้รับจ้าง บริษัท พิวริยะ อิเล็กทรอนิกส์ (ประเทศไทย) จำกัด		เลขที่ประจำตัวผู้เสียภาษีอากร 013553004429			
ที่อยู่ เลขที่ 1/80 ถนนอุตสาหกรรมโรจนะ หมู่ที่ 5 ถนนโรจนะ ตำบลบางคูเวียง หนองปรือหรืออยุธยา 13210					
แหล่งปลายทาง 1190-สนามบินสุวรรณภูมิ ๑-Sai					
เที่ยวบิน	วันที่อากาศยานออก	เลขที่ใบตราส่ง (Airway Bill No)	คลังสินค้าที่ส่งออก	จำนวนใบปล่อยรวมหน่วย	น้ำหนักรวมหีบห่อหน่วย
OZ744	14-03-2563	Master 90826004234  House PLTH2800770 	1191 TG	12 CT	59.320 KGM
Job code M06-12/03/20 (ผู้ส่งของออกหัวฉันท) บริษัท พิวริยะ อิเล็กทรอนิกส์ (ประเทศไทย) จำกัด วันเดือนปีที่ขึ้นเอกสาร 06-12-2564 14:34:43			ช่องบันทึกเจ้าหน้าที่ศุลกากร <input type="checkbox"/> ตัดบัญชีใบกำกับฯ (Green Line) <input type="checkbox"/> ตรวจปล่อยสินค้า (Red Line) (เจ้าหน้าที่ศุลกากร)..... วันเดือนปีลงตรา.....		
หมายเหตุ การแก้ไขจำนวนใบปล่อย ผู้ที่ลงลายมือชื่อเกี่ยวกับการแก้ไขเป็นผู้รับรองว่าข้อมูลที่เป็นจริง หากไม่ถูกต้อง ผู้ที่แก้ไขต้องยอมรับเป็นความผิดตามกฎหมาย Invoice no. RGA1721 12/03/20					



หน้า 10 จาก 12

415/423

A023 1-6304-07861 กศน.101/ก ลำดับที่ 222				
1. การยื่นขอตรวจสอบ Inspection Request No Assessment Request No Cargo Packing Type 9	2. บันทึกการวัดปริมาณสินค้า Compensation 4.29			
3. บันทึกการปล่อยสินค้าและปริมาณรวม	4. บันทึกการปล่อยสินค้า <table border="1"> <tr> <td></td> <td></td> </tr> </table>			
5. บันทึกการปล่อยสินค้า	6. บันทึกการปล่อยสินค้า <table border="1"> <tr> <td></td> <td></td> </tr> </table>			
7. บันทึกการปล่อยสินค้า	8. บันทึกการปล่อยสินค้า			
<table border="1"> <tr> <td> 9. บันทึกการปล่อยสินค้า Air Waybill No 1. 98531365675 / PLITH2801102 </td> <td> 10. เที่ยวบิน Flight No QZ742 </td> <td> 11. ปล่อย / โหลด Release / Load 1191 23-04-2563 / 15:07:23 / 1190 24-04-2563 / 01:10:00 </td> </tr> </table> <div style="display: flex; justify-content: space-around; align-items: center;"> <div>  </div> <div> <p>ผู้ควบคุม</p> <p>นายสมชาย ใจดี</p> <p>นายสมชาย ใจดี</p> </div> </div> <div style="display: flex; justify-content: flex-end; margin-top: 20px;"> <p>ใบฉบับนี้เป็นฉบับที่ออกโดยกรมศุลกากร เจ้าหน้าที่ศุลกากร วชิรวิชญ์ นามวงศ์ สถานที่ยื่นพิมพ์ สนามบินสุวรรณภูมิ วันที่พิมพ์ 08-12-2564 16:02:13</p> </div>		9. บันทึกการปล่อยสินค้า Air Waybill No 1. 98531365675 / PLITH2801102	10. เที่ยวบิน Flight No QZ742	11. ปล่อย / โหลด Release / Load 1191 23-04-2563 / 15:07:23 / 1190 24-04-2563 / 01:10:00
9. บันทึกการปล่อยสินค้า Air Waybill No 1. 98531365675 / PLITH2801102	10. เที่ยวบิน Flight No QZ742	11. ปล่อย / โหลด Release / Load 1191 23-04-2563 / 15:07:23 / 1190 24-04-2563 / 01:10:00		

ใบกำกับการขนส่งสินค้าทางอากาศยาน A023 1630407861

หมายเลขอ้างอิง DNVY000003439		เลขที่ 			
ผู้รับจ้าง บริษัท พูจิธร อิเล็กทรอนิกส์ (ประเทศไทย) จำกัด		เลขที่ประจำตัวผู้เสียภาษีอากร 0135563004429			
ที่อยู่ เลขที่ 1/80 สวนอุตสาหกรรมโรจนะ หมู่ที่ 5 ถนนโรจนะ ตำบลสามชัย พระนครศรีอยุธยา 13210					
เพื่อส่งมอบสินค้า 1190-สนามบินสุวรรณภูมิ e-Seal					
เที่ยวบิน	วันที่ออกเดินทาง	เลขที่ใบตราส่ง (Airway Bill No)	คลังสินค้า ที่ส่งมอบ	จำนวนใบปะ รวมหน่วย	น้ำหนักรวม หน่วย
OZ742	23-04-2563	Master 98831365675  House PLTH2801102 	1181 TG	9 CT	42.500 KGM
Job code M06-23/04/20 (ผู้ส่งของออกให้แทน) บริษัท พูจิธร อิเล็กทรอนิกส์ (ประเทศไทย) จำกัด วันที่ขึ้นเอกสาร 06-12-2564 14:35:05			ช่องบันทึกเจ้าหน้าที่ศุลกากร <input type="checkbox"/> ตัดบัญชีใบกำกับฯ (Green Line) <input type="checkbox"/> ตรวจสอบพัสดุสินค้า (Red Line) (เจ้าหน้าที่ศุลกากร)..... วันที่ลงมือทำ.....		
หมายเหตุ การถือครองจำนวนใบปะ ผู้ที่ลงลายมือชื่อเกี่ยวกับการแก้ไขเป็นผู้อนุมัติ แก้ไขเป็นความจริง หากไม่ถูกต้อง ผู้ที่แก้ไขต้องยอมรับความผิดตามกฎหมาย Invoice no. RGA2847 22/04/20					


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Figure 92-2: EIC Semiconductor Co. Ltd.

URGENT

No. 56101/33



PERMANENT MISSION OF THAILAND
TO THE UNITED NATIONS
136 EAST 39TH ST., NEW YORK, NY 10016

The Permanent Mission of Thailand 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 former's Note No. 56101/26 dated 13 January B.E. 2565 (2022) transmitting additional information on export entries, which appear in Annex 52 of the midterm report on the work of the Panel of Experts (S/2021/777), has the honour to enclose herewith Thailand's further response to the midterm report, in particular paragraph 123 and Annex 52 of the said report.

The Permanent Mission of Thailand wishes to underscore the urgency of the request contained in paragraph 3 of the attached response, and request the Panel of Experts to inform the Permanent Mission on actions it intends to take with a view to addressing Thailand's concerns as expressed in the attached response and the aforementioned Note at the earliest opportunity.

The Permanent Mission of Thailand 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.

Permanent Mission of Thailand to the United Nations,

21 January B.E. 2565 (2022)



Panel of Experts established pursuant to Security Council Resolution 1874 (2009),
NEW YORK.

Thailand's Response to the Panel's Midterm Report dated 8 September 2021

Thailand wishes to provide additional information and emphasize the following points with regard to the Panel's midterm report dated 8 September 2021:

1. Similar to the case mentioned in the Permanent Mission of Thailand to the United Nations' Note no. 56101/26 dated 13 January B.E. 2565 (2022), the Ministry of Foreign Affairs of Thailand received a letter from EIC Semiconductor Co. Ltd., whose name also appears in Annex 52 of the midterm report, explaining their action regarding the misfiled export entry and providing documents to support their case.

2. Thailand expresses its deep concern over the choice of language used in paragraph 123 of the report referring to export to the DPRK. Upon the request of the PoE, Thailand has shared, in good faith, all necessary information to reflect transparency. However, the language used in the report appears to create a misleading impression that the companies had an intention to engage in export of prohibited items to the DPRK, which was NOT the case. The report has evidently caused significant damage to the companies mentioned in Annex 52 and their associates.

3. As mentioned in paragraph 117 of the midterm report, mistaken usage of country codes, in which the country code for the DPRK (KP) is entered wrongly in the place of the country code for the ROK (KR), the intended trade partner, is frequently cited as a problem. This is also the case for Thailand. According to the information from the Department of Customs, out of 12 export entries, 8 are confirmed to be misfiled and the entries have been corrected, with the goods subsequently exported to the ROK, their intended destination. The other 4 entries were withdrawn, with goods returned. There were no traces or records of attempted export to the DPRK and there were no trade transactions between Thailand and the DPRK between January - September 2021.

In order to avoid misunderstanding and unintended consequences for the companies concerned, Thailand requests the Panel to reflect the aforementioned information at the earliest opportunity.

4. Thailand fully supports the Panel's recommendation that the International Organization for Standardization (ISO) look into possible measures to prevent erroneous usage of country codes for the DPRK (KP) and the ROK (KR).

* * * * *

Annex 93: Consolidated list of recommendations

Procurement of illicit WMD-related choke-point commodities

1. The Panel recommends the designation of the following individual for his role in and support for the country's prohibited programme:
 - Mr. O Yong Ho, currently based in Moscow as a DPRK diplomat, is involved in procuring items connected to DPRK's ballistic missile programme through his support to the UN-designated "Second Academy of Natural Sciences" (SANS) (aka "Academy of National Defence Science" (ANDS)).

Maritimes

To Member States:

On vessel Identity laundering and AIS manipulation

2. The Panel recommends that Member States and ship registries add to their ship circulars information pertaining to detected cases of vessel identity laundering or tampering, and ensure wide dissemination, including to maritime authorities. Such information would include:
 - Identifiers of ships in their registry that have transmitted cover identities;
 - Identifiers of ships in their registry that may have had their identifiers exploited by other vessels;
 - Names of ship registrants whose vessels have transmitted fraudulent identifiers.
3. The Panel recommends that flag States and their recognized organizations keep verified records and up-to-date time-stamped photographs of vessels they certify and flag, including for submission to the International Maritime Organization (IMO) at regular intervals. These recorded images would include:
 - All permanent markings of the ship's name and IMO number;
 - Photographs of the ship at various angles;
 - Photographs of the ship's engine, including its engine number.
4. The Panel recommends that the IMO consider the review of hardware and software security standards for preventing the tampering of AIS transponders.
5. The Panel recommends that the IMO urge all flag States to ensure that the requirements for the Continuous Synopsis Record (CSR) are complied with, including, for such information to be updated accordingly on the IMO GISIS website.

On vessel onward sale

6. The Panel recommends that sellers check that vessel sale information is reflected on the IMO GISIS website on a timely basis.

7. The Panel recommends that shipowners and managers undertake on-going in-house reviews on sanctions compliance programs with the requisite training and resources.

On oil supply chain and free-on-board practice

8. The Panel reiterates that commodity trading companies and tanker fleets operating under their jurisdictions and in those at-risk segments of the free-on-board market and/or engaging in ship-to-ship transfer in the affected international waters adopt contractual language that includes effective end-use delivery verification.
9. The Panel recommends that commodity trading companies, tanker fleets and segments of the affected free-on-board markets should review the AIS history and any known use of fraudulent identities of all vessels that they intend to supply or receive products/commodities banned under the resolutions.
10. The Panel recommends that financial institutions include AIS screening and vessel due diligence risk assessment clauses into letters of credit, loans and other financial instruments issued to commodity traders involved in the oil and petroleum products industry in the affected areas.
11. The Panel recommends that financial institutions involved in commodity trading in affected areas expand transaction monitoring programs to incorporate AIS screening for both client and counterparty vessels.

On enhanced due diligence and data-sharing

12. The Panel recommends that flag States possess the requisite tools available to identify and investigate suspected fraudulent use of MMSIs where it is detected and share the results of its investigation with other maritime authorities, including with the Panel.
13. The Panel recommends that the IMO GISIS include information to indicate whether a vessel's flag registration is provisional or permanent as well as the effective date range.
14. The Panel recommends that ship owners, charterers and operators continue to enhance 'know-your-customer' and 'know-your-counterparty's-vessel' due diligence with regards ship-to-ship transfers. During the transfers, time-stamped photographs, including verifiable ship identifiers and associated transmitted AIS profiles, financial transaction records and other relevant crew details are recorded for compliance purposes, and to be shared with law enforcement and the Panel of Experts where necessary.

To the Committee:

- 15. The Panel reiterates its recommendations of the following vessel for further designation under paragraph 5 of resolution 2397 (2017) and recommends the vessel for designation under paragraph 14 of resolution 2397 (2017):**
 - **UN HUNG (fka VIFINE) (IMO: 9045962), DPRK-flagged.**
- 16. The Panel recalls its previous recommendations of the following vessels for designation under paragraph 5 of resolution 2397 (2017) and further recommends their designation under paragraphs 5 of resolution 2397 (2017) and 11 of resolution 2375 (2017):**
 - **DIAMOND 8 (IMO: 9132612), unknown-flagged**
 - **NEW KONK (IMO: 9036387), unknown-flagged**
 - **SUBBLIC (IMO: 8126082), unknown-flagged**
 - **XING MING YANG 888 (IMO: 8410847), unknown-flagged.**
- 17. The Panel recommends the following vessel for designation under paragraph 11 of resolution 2375 (2017) and for designation under paragraph 14 of resolution 2397 (2017):**
 - **SU RYONG SAN (IMO: 9016430).**
- 18. The Panel reiterates its recommendation of the following vessel for further designation under paragraph 11 of resolution 2375 (2017):**
 - **PHO PHYONG (IMO: 8417962), DPRK-flagged.**
- 19. The Panel reiterates its recommendations of the following vessels for further designation under paragraph 11 of resolution 2375 (2017) and for their designation under paragraph 14 of resolution 2397 (2017):**
 - **TO MYONG, (fka RI HONG / KLAUSEN) (IMO: 9162318), DPRK-flagged**
 - **TAE P(H)YONG 2 (fka MING ZHOU 6) (IMO: 8602763), DPRK-flagged.**

Trade and Customs

- 20. The Panel recommends appropriate measures to be taken by the International Organization for Standardization (ISO) to prevent erroneous usage of country codes for DPRK and ROK (KP and KR respectively).**
- 21. The Panel recommends that Member States streamline their export and import control lists, using as supportive material the informal list of prohibited commodities.**
- 22. The Panel recommends that Customs authorities of Member States use the above-mentioned list for information of their jurisdictions' trading agents for due diligence purposes, particularly when dealing with such commodities in the vicinity of sanctioned jurisdictions.**

Implementation of Luxury Goods Ban

- 23. The Panel recommends the Member States could consider updating their export control lists to reflect their lists of prohibited luxury goods in a manner consistent with the objectives of resolutions 1718 (2006), 1874 (2009), 2094 (2013), 2270 (2016) and 2321 (2016), but avoiding unnecessary broadening of their scope in order not to restrict the supply of unprohibited goods to the civilian population nor have a negative humanitarian impact once trade restarts.**
- 24. The Panel reiterates its recommendation that Member States encourage their business entities and nationals exporting luxury goods to include a contractual provision to prevent transshipment to the Democratic People's Republic of Korea.**
- 25. The Panel reiterates its recommendation that Member States and relevant organizations encourage shipping and transportation companies to provide thorough systems for end-user checking, bearing in mind the risk of trans-shipment, including ship-to-ship transfer and means of transport for humanitarian cargo.**

Unintended Impact of Sanctions

- 26. The Panel recommends that the Committee review the responses of nongovernmental organizations to the Panel's survey and consider contacts with civil society to tackle the complex issues of a humanitarian crisis in the DPRK to help substantiate future decision-making and to better assess humanitarian aid needs.**
- 27. The Panel underlines the urgency of concrete measures for re-establishing the banking channel.**
- 28. The Panel appreciates the biannual briefings by the relevant United Nations agencies on the unintended impact of sanctions and recommends that the Committee continue this practice.**
- 29. The Panel recommends that the Security Council continue to address issues and processes that mitigate the potential 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 country's vulnerable population and overcome the consequences of the COVID-19 pandemic.**
- 30. The Panel notes the positive outcome of the Committee's efforts to streamline the processes and procedures for applying for humanitarian exemptions and recommends that the Committee continue these efforts, taking into account the suggestions by humanitarian actors.**