



# 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 midterm report to the Council with its findings and recommendations. Accordingly, the President hereby circulates the report received from the Panel of Experts (see annex).



**Annex**

**Letter dated 3 September 2021 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 midterm report on its work.

The report was provided to the Security Council Committee established pursuant to resolution 1718 (2006) on 3 August 2021 and was considered by the Committee on 26 August 2021.

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

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

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**Enclosure****Letter dated 3 August 2021 from the Panel of Experts established pursuant to resolution 1874 (2009) addressed to the Chair of the Security Council Committee established pursuant to resolution 1718 (2006)**

The Panel of Experts established pursuant to Security Council resolution 1874 (2009) has the honour to transmit herewith, in accordance with paragraph 2 of Council resolution 2569 (2021), the midterm report on its work.

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

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

## *Summary*

During the reporting period, despite the country's focus on its worsening economic travails, the Democratic People's Republic of Korea continued to maintain and develop its nuclear and ballistic missile programmes. No test launches of intercontinental ballistic missiles or nuclear tests were reported. The Democratic People's Republic of Korea tested a new short-range ballistic missile combining ballistic and guidance technologies, and otherwise maintained and improved its ballistic missile and nuclear infrastructure. It continued to seek material and technology for these programmes overseas.

The country's blockade in response to the coronavirus disease (COVID-19) pandemic has continued fundamentally to impact the movement of people and goods, both licit and illicit, within, into and out of the country.

Maritime exports from the Democratic People's Republic of Korea of coal and other sanctioned commodities continued, but at a much reduced level. The import of oil products reported to the Panel fell substantially in the first half of 2021. Maritime and financial investigations demonstrated increasing sophistication by both vessels and the management and ownership structures supporting them in order to evade sanctions. Misuse of automatic identification systems continued; the fleet of the Democratic People's Republic of Korea continued to acquire vessels; and the country continued to sell fishing rights in its waters.

Access by the Democratic People's Republic of Korea to international financial institutions continued, as did the presence overseas of its workers earning revenue for use in State programmes. Officials overseas continued to feel pressure to develop revenue streams. The import of luxury goods into the Democratic People's Republic of Korea all but halted.

The Panel continued to investigate the involvement of the Democratic People's Republic of Korea in global cyberactivity and the collaboration of its academics and universities with scientific institutes abroad, focusing on studies with potential applications in weapons of mass destruction programmes. The Panel considers both cybertheft of funds and know-how and the intangible transfer of technology via academic means to be important issues.

Statements made by the Democratic People's Republic of Korea suggested a deepening humanitarian crisis in the country, although the blockade in response to COVID-19 means that the relative impact of sanctions on the humanitarian situation has probably decreased. The Panel repeated its survey of humanitarian organizations previously active in the country. With trade all but stopped by the blockade and the harvest in 2020 badly affected by floods, the current prospects of the wider population of the Democratic People's Republic of Korea are poor.

The Panel continues to be grateful to those Member States which constructively support its work. However, Member State engagement with the Panel remains patchy. More than half of the Panel's requests for information are unanswered. The Panel will discuss with the relevant parties its ideas for improving responsiveness to the Panel's investigation. Panel recommendations arising from the present report are contained at the end of each section and are consolidated in annex 66.

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

## I. Introduction

1. In paragraph 2 of 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 midterm report with findings and recommendations.<sup>1</sup> The present report covers the period from 6 February to 3 August 2021. The Democratic People's Republic of Korea continued its border controls in response to the ongoing coronavirus disease (COVID-19) pandemic throughout the period (see annex 1).

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

### Nuclear

2. The Panel continued to monitor the ongoing nuclear programme of the Democratic People's Republic of Korea. Although there was no reported nuclear test during the reporting period, activity continued at sites related to the programme.

#### *Yongbyon site*

3. According to a Member State, the external construction of the light water reactor seems to be complete. It assessed that installation of machinery is likely to be in progress. Another Member State detected activity inside the facility using infrared and other imagery between December 2020 and February 2021, suggesting that some tests had occurred. In May 2021, a Member State observed thermal activity around electrical transformers on the eastern side of the turbine generator (see annex 2). Satellite imagery shows construction activities in the area south of the light water reactor, including the appearance of a circular structure (diameter 3.5 m), which a Member State assessed might be a shaft (see annex 3).

4. There have been no signs of operation of the 5 MW(e) reactor at Yongbyon experimental nuclear power plant since 2018. Vehicles have been observed close to the reactor, which a Member State assessed as possibly being there for maintenance purposes (see annex 4).

5. The Panel observed activity at the radiochemical laboratory. Since February 2021, a Member State has detected thermal signals on the bypass between the coal-fired thermal plant and the reprocessing area, and signs of chimney smoke have also been identified. Member States assessed that this suggests the resumption of some level of operations at the facility (see annex 5). The Panel notes the statement of the Director General of the International Atomic Energy Agency on 7 June 2021, in which the Director General indicated the possibility of a new reprocessing campaign by the Democratic People's Republic of Korea (see annex 6). Through its own satellite imagery analysis, the Panel has observed the smoke from the thermal plant.

6. The Panel observed continuous activities in the Yongbyon centrifuge plant. The Panel noted the presence of a possible liquid nitrogen tank trailer adjacent to the plant in April 2021 (see annex 7). The Panel has corroborated the observation of a think tank<sup>2</sup> of a possible liquid nitrogen tank trailer at the plant, which might suggest that

<sup>1</sup> For the purpose of publishing the present midterm report, six experts are of the view that the inclusion of geographical designations or signifiers employed in third-party primary source material does not imply the expression of any opinion whatsoever on the part of the Panel itself concerning the legal status of any country, territory or area or of its authorities (two experts of the Panel maintain their reservation as to the inclusion of this clause).

<sup>2</sup> 38 North; see [www.38north.org/2019/06/yongbyon060519/](http://www.38north.org/2019/06/yongbyon060519/).

the plant was operational. A Member State reported that a metal structure had been observed on the side of the cooling units at the plant, but the purpose of that structure was unknown.

*Pyongsan uranium mine and concentration plant*

7. A Member State reported that the concentration plant remains operational, and activity has been observed through satellite imagery analysis. The Panel found the possible expansion of solid waste in the tailings pond located to the south of the main plant (see annex 8), indicating the operation of the plant. The Panel also observed the possible activity of railcars in the plant (see annex 9).

*Punggye-ri test site*

8. According to a Member State, satellite imagery has indicated activity at the test site, possibly related to the maintenance of site security.

*Other sites*

9. The Panel continues to monitor activities in the vicinity of Kangson,<sup>3</sup> an alleged clandestine uranium enrichment facility. The Panel observed continuous vehicular activity there (see annex 10), although it was unable to confirm that the building at the site has functions consistent with a uranium enrichment facility.

10. According to open-source information,<sup>4</sup> Yongdoktong 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.<sup>5</sup> A Member State was unable to confirm the usage of Yongdoktong as a nuclear warhead storage site, but noted some renovation activity at Yongdoktong and detected a newly erected building in the storage area of the site (see annex 11). The Member State assessed that this new building served to conceal the entrance to two tunnels used for possible transfers of equipment. Two new excavations have also been detected in two valleys (see figure I). The Panel also corroborated the observation of the Member State of the building and excavations.

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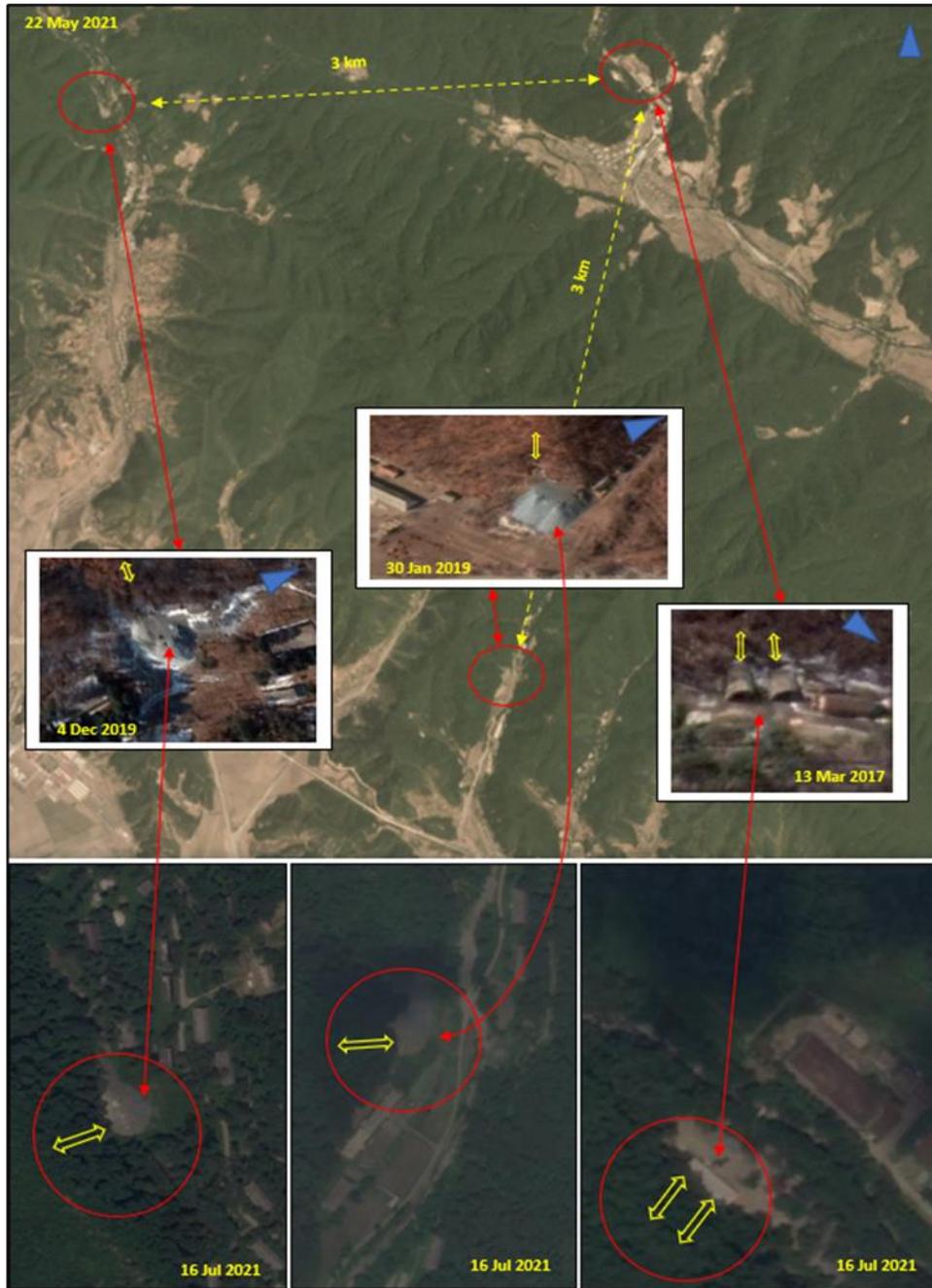
<sup>3</sup> S/2021/211, para. 8. The International Atomic Energy Agency has also mentioned the site in its reports.

<sup>4</sup> See CNN, [www.cnn.com/2021/03/02/politics/north-korea-satellite-images-yongdoktong-nuclear-site/index.html](http://www.cnn.com/2021/03/02/politics/north-korea-satellite-images-yongdoktong-nuclear-site/index.html).

<sup>5</sup> This site is also believed to be for high-explosive detonations in nuclear device implosion technology tests (see Arms Control Wonk, [www.armscontrolwonk.com/archive/1211166/new-construction-at-yondoktong/](http://www.armscontrolwonk.com/archive/1211166/new-construction-at-yondoktong/)).

Figure I  
**Suspected nuclear weapons storage facility in Yongdoktong**

Two new excavations have been detected in two valleys, 3 km west ( $40^{\circ}01'44''\text{N}$   $125^{\circ}16'27''\text{E}$ ) and 3 km south ( $40^{\circ}00'01''\text{N}$   $125^{\circ}18'01''\text{E}$ ) of the main storage area ( $40^{\circ}01'51''\text{N}$   $125^{\circ}18'27''\text{E}$ ), respectively.



Source: Planet Labs, 22 May 2021, 0204 UTC; 16 July 2021, 0526 UTC. Google, 13 March 2017; 30 January 2019; 4 December 2019. The coordinates of the site have been provided by the Panel.

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

11. Further to paragraph 11 of Security Council resolution [2321 \(2016\)](#) (see annex 12) and drawing on reports produced by scientific institutes, the Panel has been investigating the intangible transfer of technology involving scientists of the Democratic People's Republic of Korea in particular fields of activity. The Panel is concerned that advanced academic study in composite structures and vibration analysis (both of which have industrial applications but are essential in the design of both nuclear equipment and ballistic missile programmes) might present an opportunity for scientists of the Democratic People's Republic of Korea to benefit from joint work with other scientists and academic institutions. The Panel has identified 11 scientific papers which were jointly published in 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 (see annex 13) were involved. The Panel wrote to China to clarify the nature of these joint studies. China responded: "There is no prohibited academic exchanges, scientific cooperation or joint studies between Chinese universities with the DPRK" (see annex 14). Investigations continue into several other joint scientific papers.<sup>6</sup>

12. The Panel has continued its investigation into academic exchanges between the Democratic People's Republic of Korea and overseas universities,<sup>7</sup> and into scientific and technical partnerships involving scientists of the Democratic People's Republic of Korea. The Panel received additional information on its previous enquiries relating to academic exchanges between Kim Il Sung University and four universities in Cuba, Indonesia, the Syrian Arab Republic and Viet Nam, described as "sister universities" on the Kim Il Sung University website, which claimed they had signed cooperative agreements with Kim Il Sung University between 2012 and 2016. These four universities explained that the scope of their exchange programmes was limited to law, language, tourism and education and identified no sanctions violations (see annex 15). The Panel awaits further responses from the remaining institutions.

13. The Panel also requested information from 11 universities identified by Kim Chaek University of Technology (see annex 16) as "international friendship" universities, with which it either currently conducts exchanges or has previously done so. The Russian Federation responded that the Pacific National University (Russian Federation) did not have formal academic exchanges or cooperation with Kim Chaek University of Technology and had identified no violation concerning the Panel's enquiries. The University of Trieste (Italy) also responded that it had no formal relationship with Kim Chaek University of Technology (see annex 17). The Panel received a reply from China regarding university exchanges with both Kim Il Sung University and Kim Chaek University of Technology, noting that "the establishment of friendship with the universities in the DPRK is not prohibited by the Security Council resolutions. The friendly relationship like 'sister college' between Chinese and the DPRK universities is not only out of the traditional friendship, but also meets the needs of the people to carry out exchanges and cooperation in culture and education" (see annex 14). Investigations continue.

### **Ballistic missiles**

14. The ballistic missile programme of the Democratic People's Republic of Korea lost momentum in the first half of 2021 compared to the pace of the last few years, when major deterrence and strike capability goals were achieved by the Democratic People's Republic of Korea. However, the programme remains coherent and dynamic,

<sup>6</sup> [S/2021/211](#), para. 13.

<sup>7</sup> *Ibid.*, para. 14.

shown both by the test launch on 25 March of a new type of solid propellant missile system combining ballistic and guidance technologies, based on the Panel's analysis of Member State information,<sup>8</sup> and by the appearance of two new types of submarine-launched ballistic missiles and a new type of super-large intercontinental ballistic missile at the last two military parades (S/2021/211, paras. 17–20). In addition, the Democratic People's Republic of Korea has continued to adapt its industrial production infrastructure as well as its ballistic missile bases. Although sanctions and the non-proliferation efforts of Member States are significantly reducing the possibilities of proliferation by the Democratic People's Republic of Korea, the country continued to seek the dual-use components and technology needed for its weapons of mass destruction programme.

15. The pace of reported ballistic missile test launches has significantly reduced in the first seven months of 2021 (one test launch of two short-range ballistic missiles) in comparison with previous years (4 ballistic tests in 2020; 13 tests in 2019; and 15 tests in 2017). However, the ballistic missile programme, according to several Member States, gives the Democratic People's Republic of Korea the capability to deliver nuclear weapons now miniaturized to fit ballistic missile warheads.

16. On 25 March 2021, according to Member States, the Democratic People's Republic of Korea conducted mobile test launches of two new solid-propellant short-range ballistic missiles<sup>9</sup> with modified technology from a new 5-axle wheeled transport erector launcher. The missiles were successively launched from a military installation in South Hamgyong Province<sup>10</sup> in an easterly direction (see figure II). The short-range ballistic missiles landed in the sea after the completion of an awkward pull-up manoeuvre, according to several Member States (see table 1 and annex 18-1 and 18-2).

Figure II

**Short-range ballistic missile launches on 25 March 2021**



Source: Rodong Sinmun and Korean Central Television.

<sup>8</sup> Two experts expressed the view that the nature and technology of the projectiles launched by the Democratic People's Republic of Korea on 25 March 2021 were not clear.

<sup>9</sup> S/2021/211, annex 12.

<sup>10</sup> According to a Member State, the first missile was launched around 0704 hours and the second around 0723 hours from the area around Sondok, South Hamgyong Province.

Table 1  
**Launches and tests of missiles or systems using ballistic missile technology and solid fuel propellant by the Democratic People's Republic of Korea in 2021**

<i>No. test in 2021</i>	<i>No. test 2019 to this launch</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>
1st	18th	25 Mar. 2021, 0706 and 0725 hours or 0704 and 0723 hours	SRBM; appear to be the new SRBM and TEL <sup>a</sup> displayed during the military parade on 14 January 2021 and identified as a possible modification and enlargement of the previously displayed and tested KN-23 SRBM <sup>b</sup>	2	Area of Hamju, South Hamgyong, probably from an area delimited in the south-west by the Sondok military airfield and in the north-east by the Yonpo military airfield <sup>c</sup>	600	60, possibly 100	– 37th ballistic missile launch since 2019 – New 5-axle wheeled TEL – Time between launches: 19 minutes – Depressed with pull-up trajectory	New-type tactical guided missiles or New-type tactical guided projectiles

*Source:* Member States' information and Panel's analysis.

*Abbreviations:* SRBM, short-range ballistic missile; TEL, transporter erector launcher.

<sup>a</sup> If Korean Central News Agency pictures of 26 March 2021 are genuine; the Democratic People's Republic of Korea has been shown on previous launch occasions to modify or falsify photographic images, presumably for propaganda purposes.

<sup>b</sup> S/2021/211, para. 18, figure 5 and annexes 11 and 12; and S/2020/151, para. 194, table 3 and annexes 58.1 and 59.

<sup>c</sup> This area was used several times for launch tests of short-range ballistic missiles, as reported by the Panel in S/2020/840 and S/2020/840/Corr.1, table 1, and S/2020/151, table 3. The Sondok military airfield is located at 39°44'17"N 127°28'07"E and the Yonpo military airfield at 39°48'00"N 127°32'21"E.

17. Regarding the new intercontinental ballistic missile paraded on 10 October 2020,<sup>11</sup> a Member State assessed that the engines with gimbal nozzles could deliver a thrust of 170 tons and the shroud could contain three to four multiple independent re-entry vehicles (see annex 18-2).<sup>12</sup> Another Member State assessed that this intercontinental ballistic missile was a "non-operational model", although the Panel assesses that its 11-axle transport erector launcher did not match any previously seen transport erector launcher from any country and would have been a significant engineering achievement to carry a non-operational payload.

18. Regarding the new Pukguksong-4 and -5 submarine-launched ballistic missiles presented in military parades on 10 October 2020 and 14 January 2021,<sup>13</sup> a Member State assessed that the Pukguksong-5 was a non-operational mock-up, an empty filament-based missile casing. According to another Member State, its very large diameter of around 2 m would allow a greater thrust due to a larger engine section<sup>14</sup> than earlier Pukguksong models (see annex 18-2).

<sup>11</sup> S/2021/211, annex 10.

<sup>12</sup> The new super-large intercontinental ballistic missile (so far unnamed in Democratic People's Republic of Korea media) is temporarily dubbed "Hwasong-16" by observers.

<sup>13</sup> S/2021/211, annex 11.

<sup>14</sup> However, the Pukguksong-5 would not fit the static test stand in Sinpo south shipyard due to the

19. Activity and infrastructure development continue in factories (see annexes 19–25)<sup>15</sup> and bases related to the ballistic missile programme (see annex 26),<sup>16</sup> although at a less intensive pace due to the COVID-19 response, according to a Member State. Deception measures are continuously updated on the bases through the use of underground galleries, bunkers, semi-buried drive-throughs (used for maintenance and fuelling the long-range liquid propellant ballistic missiles) and other means of concealment and camouflage.

20. Despite its COVID-19 blockade and sanctions implementation, the Democratic People's Republic of Korea has continued its illicit efforts to procure specific components from overseas and to seek opportunities to transfer its own products to its partners (see paras. 21–23 below and S/2020/211, para. 26). Representatives of the Democratic People's Republic of Korea overseas were under pressure to make money for the country's needs. The country continued to develop scientific and technical cooperation with universities abroad (see paras. 11–13 above).

### **Procurement of illicit and weapons-of-mass-destruction-related commodities**

21. According to Member States, foreign representatives of trading companies of the Democratic People's Republic of Korea and the Academy of National Defense Science<sup>17</sup> – including the Korea Mining Development Trading Corporation<sup>18</sup> and Saengpil Associated Corporation<sup>19</sup> – who have been stuck overseas during the pandemic, have continued to import and export munitions materials to earn foreign currency and to assist with the development of weapons. In particular, Member States assessed that they are cooperating with Middle Eastern countries (such as the Syrian Arab Republic and the Islamic Republic of Iran)<sup>20</sup> on missile-related projects,<sup>21</sup> and munitions agents are trying to sell weapons in Africa and South-East Asia. The Democratic People's Republic of Korea is allegedly seeking various means to deal with stringent monitoring by the international community and overcoming its own COVID-19 blockade by reorganizing its trade-related institutions (names, organizations, etc.) and by conducting transactions based on ship-to-ship transfers. The Panel has not corroborated these assessments.

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large size of the new missile (see annex 24).

<sup>15</sup> Activity in industry linked to the ballistic missiles programme (see following annexes): annex 19: Nampo naval shipyard, November 2020–June 2021; *ibid.*: Sinpo south shipyard, February–June 2021; annex 20: “Pyongsong March 16 factory automotive plant”, November 2020–June 2021; annex 21: “Kusong tank factory” (“No. 95 Factory”); *ibid.*: “No. 112 Factory”; annex 22: Sanum Dong scientific and ballistic missile research complex, February–March 2021; annex 23: Sinpo south shipyard, resumption of the construction of the pier/water break; annex 24: Sinpo south shipyard, buildings under construction at the static test stand area; annex 25: “January 18th Factory”, activity at a possible engine test stand.

<sup>16</sup> Activity in bases linked to ballistic programme (see annex 26): “Hoejung-ri missile base”; “Kumchon-ri missile operating base”; “Sangnam-ri missile operating base”; and “Sunchon airbase” from April to June 2021.

<sup>17</sup> Listed as KPe.021, the Academy of National Defense Science controls a network of overseas front companies tasked with collecting scientific information.

<sup>18</sup> KPe.001, aka Changkwang Trading Corporation and External Economic General Bureau (S/2019/691, annex 32, para. 6).

<sup>19</sup> Aka Green Pine Associated Corporation.

<sup>20</sup> According to a Member State, one of the two representatives of the 221 General Bureau and the Korea Mining Development Trading Corporation in the Islamic Republic of Iran, Kim Hak Chol (aka Jong Chol Jin, born in 1965, first secretary in the Embassy of the Democratic People's Republic of Korea in Tehran, with passport No. 10821043), travelled from the Russian Federation on 20 January 2020 using passport No. 108210148. Ha Won Mo, the other representative in the Islamic Republic of Iran, uses passport No. 108210147.

<sup>21</sup> See, for example, S/2020/151, paras. 106–107; and S/2019/171 and S/2019/171/Corr.1, para. 72.

22. The Panel is investigating a possible “choke point” item procurement network that may be related to the nuclear and ballistic missile programme of the Democratic People’s Republic of Korea. According to a Member State, Korea Machinery General Trading, represented by Kim Jong Dok, regularly places orders of sensitive industrial materials with third country-based companies. Since January 2021, Korea Machinery General Trading has placed at least four orders with these companies, for items including (among many others) 1Cr18Ni9Ti stainless steel (see annex 27). This type of stainless steel can be used for aeronautical purposes as well as for the fabrication of liquid-propelled ballistic missile engines or the casing of nuclear weapons. The Democratic People’s Republic of Korea is known to pursue this type of steel, particularly for its ballistic missile programme. Other items in the orders include valves, pumps and ball bearings. Investigation into this procurement network continues.

#### **Other weapons of mass destruction programme**

23. The Panel is analysing information received from a Member State concerning its assessment of suspected other weapons of mass destruction of the Democratic People’s Republic of Korea.

### **III. Sectoral and maritime sanctions**

24. The continued border closure of the Democratic People’s Republic of Korea in response to the COVID-19 pandemic appears to have significantly affected its maritime trade in its import of refined petroleum and its prohibited export of coal and other commodities. The Panel has continued its investigations into a range of complex and deceptive shipping practices used by both the Democratic People’s Republic of Korea and suspect vessels to evade sanctions, as well as the deliberate obfuscation of business and registration practices employed by individuals and entities to enable these shipments to continue. Some of the latter practices are covered in the separate section of the present report on finance.

25. Official figures of refined petroleum imports reported to the Committee are extremely low, with only 4.75 per cent of the permitted annual cap of 500,000 barrels<sup>22</sup> officially reported by mid-July 2021. A Member State assesses that the Democratic People’s Republic of Korea has imported substantially less oil in the first half of 2021 than the historical average, while also assessing that increasing illicit imports will mean that the Democratic People’s Republic of Korea is still likely to exceed the cap in 2021.

26. Illicit imports of oil products to the Democratic People’s Republic of Korea have continued during the reporting period, although the Panel has received little reporting on the issue. Despite the completion of a new oil terminal in Nampo, no direct deliveries by foreign oil tankers have been reported to the Panel during the period, and although ship-to-ship transfers of oil products have continued to take place, particularly at night, they appear to have been at a reduced level.

27. Many of the tankers named in the Panel’s previous reports as having delivered oil products directly to the Democratic People’s Republic of Korea or having conducted ship-to-ship transfers of those products with smaller vessels of the Democratic People’s Republic of Korea remain at large, continuing to obfuscate their identities while moored in regional territorial waters and using local dockyard

<sup>22</sup> Security Council resolution 2397 (2017), para. 5.

facilities. Recent and unassessed Member State information suggests that ship-to-ship activity has been increasing since May 2021.

### **Deceptive shipping practices**

28. Vessels of the Democratic People's Republic of Korea and other suspect vessels that have conducted sanctionable activities continue to manipulate or not to transmit automatic identification system (AIS) signals in order to obfuscate their activities and evade detection. These activities ranged from transmitting detectable falsified identifiers to sophisticated obfuscation techniques involving vessel identity swaps.

#### *Vessel identity laundering and swapping*

29. The Panel continued its investigations into cases of vessel identity laundering,<sup>23</sup> a technique involving the physical alteration of a vessel (vessel A) in order to obtain a new International Maritime Organization (IMO) number under which vessel A can subsequently and fraudulently sail as a different vessel (vessel B), registered under a different flag. The original AIS profile of vessel A is left vacant on maritime databases, enabling other suspect vessels to use it. This complex and time-consuming evasion tactic has been used by several vessels involved in delivering unreported oil to the Democratic People's Republic of Korea. The Panel considers such vessel identity laundering as a sanctions evasion technique that directly enables suspect vessels to continue to deliver illicitly refined petroleum to the Democratic People's Republic of Korea.

#### *Subblic as Hai Zhou 168*

30. In November 2020, high resolution satellite imagery showed the unknown-flagged *Subblic* (IMO No. 8126082) transmitting as the *Hai Zhou 168* in Sansha Bay, China (see figure III). As of March 2021, the *Subblic* continued occasionally to transmit as the *Hai Zhou 168*. The *Subblic* has previously been recommended by the Panel for designation. The Panel asked China for information on the vessel's presence in Chinese waters and on the fraudulent transmissions by the *Subblic* and for information resulting from any inspections conducted. China responded that "on *Subblic* transmitting as *Hai Zhou 168*, according to China's investigations, neither of the two vessels has entered Chinese ports since 2020".

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<sup>23</sup> S/2021/211, paras. 31–36.

Figure III  
Unknown-flagged *Subblic* transmitting as the *Hai Zhou 168*, Sansha Bay, China, 26 November 2020



Source: Imagery: Planet Labs; AIS coordinates: Windward.<sup>24</sup>

31. The identity of the then Sierra Leone-flagged *Hai Zhou 168* (aka *Smooth Sea 28*) (IMO No. 8514045) was laundered in January 2019, enabling its vacant AIS profile to be used to facilitate illicit refined petroleum transfers to the Democratic People's Republic of Korea. Panel investigations showed that preparations for such an identity-launder likely began as early as 2016, when the vessel underwent heavy modification work at a shipyard in Thailand. To complete the identity-launder, the *Hai Zhou 168* passed itself off as a newly built vessel, the *Cheng Xin 1* (aka *Smooth Sea 22*), as it left a shipyard in Ningde, China, where it was allegedly launched.<sup>25</sup> The vessel returned to the same port in Thailand from which it had originally departed, obtained a ship licence under false pretences and sailed a domestic route as the Thailand-flagged *Smooth Sea 22* (IMO No. 9870991). With the *Hai Zhou 168* itself having changed its appearance and its name, its original AIS profile was left vacant for known sanctions-evading vessels such as the *Subblic* to employ (see annex 28a for more details).

32. The Panel sought the assistance of Thailand in investigating the suspected identity fraud of the *Smooth Sea 22*.<sup>26</sup> The Panel is awaiting the response of Thailand.

33. The Panel also traced the entities and individuals that owned or operated the vessel. During the January 2019 transition, both the *Hai Zhou 168* and the *Smooth Sea 22* were owned and managed by Cheng Xin Shipping Co. Ltd., registered in Hong Kong, China. A number of the vessels the Panel has investigated have also appeared at the same Ningde shipyard, including the *Mouson 328* (IMO No. 9021198), which was reported by the Panel as also involved in a vessel identity swap. Information and responses from these entities are contained in annex 28a.

34. The Panel's previous investigation of the vessel identity-laundering of the *Mouson 328* sailing as the *Smooth Sea 29*<sup>27</sup> involved similar entities and shipyards. Thailand responded that concerning the suspected fraud (S/2021/211, paras. 31–36),

<sup>24</sup> Unless otherwise stated, all dates and times on Windward, a maritime artificial intelligence platform, are recorded in Eastern Standard Time; all dates and times on satellite images and other maritime tracking platforms are recorded in Universal Time Coordinated (UTC).

<sup>25</sup> IHS Markit.

<sup>26</sup> Using AIS tracking on commercial maritime platforms.

<sup>27</sup> S/2021/211, paras. 31–36.

its authorities had insufficient evidence to confirm connections between the *Mouson 328* and the laundered identity it was sailing under. Authorities were re-examining the registration of the *Smooth Sea 29*, which was suspected as a forgery. The vessel has not been used for any shipments since its arrival in Thailand in November 2019 (see also annex 28b).

Billions No. 18 (*aka Kingsway*) as Apex (*aka Shun Fa*)

35. In May 2021, a Member State impounded the designated *Billions No. 18* (*aka Kingsway*) (IMO No. 9191773) sailing as the Mongolia-flagged *Apex* (*aka Shun Fa*) (IMO No. 8528864), following confirmation that the vessel had disguised its identity when it entered a port of that Member State on 5 May 2021. In impounding the vessel, the Member State halted the further operation of the *Billions No. 18*.<sup>28</sup> AIS transmissions in maritime databases showed that the vessel had been transmitting as the Mongolia-flagged *Shun Fa*. However, the *Shun Fa*'s registered IMO number belonged in turn to the Mongolia-flagged *Apex*,<sup>29</sup> which was listed as deregistered from the Mongolia ship registry in June 2021.

36. The Member State's investigations after impounding the vessel revealed that details of the *Shun Fa*'s engine, including the engine model, matched those of the *Billions No. 18*. Other supporting details confirming the vessel's true identity included traces of physical manipulation of the IMO number on the vessel, and other manuals and equipment carried on board.

37. The Panel reported on the *Billions No. 18* (*aka Kingsway*) in 2017 in relation to its delivery of refined petroleum to the Democratic People's Republic of Korea.<sup>30</sup> Following the vessel's designation, the vessel's identity was deliberately laundered to disguise the (then) *Kingsway* as another ship with a different IMO number, effectively circumventing the ship's designation. Through such repeated deceptive tactics, the vessel continued to operate undetected for nearly three years, even after designation, and in the process accessed prohibited services such as flag registration and financial payments (see annex 29a for more details).<sup>31</sup>

38. The Panel traced the *Apex*'s voyage and ownership history in investigating the vessel identity-laundering. Official records listed the *Apex* as sailing previously as the China-flagged *Zhe Sheng 26* from 2016 until it was flagged by Mongolia in 2018. However, photographic comparison of the vessels from open sources shows markedly different appearances, identifying the two as different vessels and the *Apex*'s claim to be the *Zhe Sheng 26* as fraudulent (see figure IV).

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<sup>28</sup> The port ban was placed on 28 December 2017 following a ship-to-ship transfer with the Democratic People's Republic of Korea-flagged *Rye Song Gang* (IMO No. 7389704) in October 2017.

<sup>29</sup> According to official records on the IMO website, the vessel's name is registered as the *Apex* and not as the *Shun Fa*.

<sup>30</sup> [S/2018/171](#) and [S/2018/171/Corr.1](#).

<sup>31</sup> The United States of America Office of Foreign Assets Control shipping advisory of March 2019 included the *Kingsway* on a list of tankers believed to have engaged in ship-to-ship transfers with tankers of the Democratic People's Republic of Korea.

Figure IV  
Comparison of the *Apex* and the *Zhe Sheng 26*



Source: FleetMon, VesselFinder and Member State.

39. Further investigations indicate a connection between the *Apex* and the *Billions No. 18* (then sailing as the *Kingsway*) via a co-located address. The *Kingsway's* document of compliance holding company, United Ships Maritime Corp,<sup>32</sup> listed an office address at the same building in Kaohsiung City as that of Chen Chao-Jung.<sup>33</sup> Mr. Chen is listed as the director and sole shareholder of the Belize-incorporated Better Smart Ltd., the owner and manager of the *Apex* since July 2018.

<sup>32</sup> IHS Markit.

<sup>33</sup> 陳昭榮.

40. The Panel wrote to Taizhou Zhesheng Shipping Co. Ltd., a Chinese entity listed as the owner of the *Zhe Sheng 26*, to Yong An Shipping Sdn Bhd, a Malaysia-based company that submitted registration documentation for Better Smart Ltd. as the owner of the *Apex*, and to Mr. Chen himself. The Panel has yet to receive responses (see annex 29a for additional details).

41. Mongolia responded with information concerning the *Shun Fa* (aka *Apex*) showing that the vessel had changed ownership a few times, with these ownership changes not updated on maritime databases.<sup>34</sup> Shipping documentation listed New East Investment Inc., as the previous owner of the *Apex* (see annex 29b). Another Hong Kong incorporated company, Joy Wealthy Trading Limited, purchased the *Shun Fa* in October 2019. In a letter sent to the Mongolia Maritime Administration, the owner of Joy Wealthy, a Mr. Wang, alleged that he had done no illegal business and had conducted a “check on the vessel back in 2019 before buying, and there is no problem with Mongolia Ship Registry at that point of time”. Mr. Wang stated that “... I am also a victim if the vessel is proofed to be a sanction vessel”.<sup>35</sup> Mongolia cancelled the *Shun Fa*’s registration on 2 June 2021 (see annex 29c).

#### *Fraudulent transmissions to evade detection*

42. Several foreign-flagged tankers previously identified by the Panel as conducting prohibited transfers of refined petroleum to the Democratic People’s Republic of Korea had their flag registrations cancelled but continue to operate by transmitting fraudulent identifiers on AIS. These deceptive tactics may enable the vessels to approach ports to resupply, change crew or receive repair and maintenance services.

43. The Panel believes that the various obfuscation methods used by vessels to conceal their identities constitute sanctions evasion activity. In the absence of action taken against them, these “direct delivery” vessels,<sup>36</sup> despite being deflagged, have continued to operate. The Panel notes that vessels sailing without a flag registration are considered stateless and are therefore subject to the maritime laws of the country in whose territorial waters they are, as well as to paragraph 9 of Security Council resolution 2397 (2017).<sup>37</sup>

#### Diamond 8

44. Maritime tracking data and satellite imagery from May 2021 showed the *Diamond 8* (IMO No. 9132612) broadcasting fraudulently as the Mongolia-flagged *Chang Shun 8* (maritime mobile service identity No. 457222000) in the Ningde anchorage area, China (see figure V). The Panel previously reported that Sierra Leone had cancelled the *Diamond 8*’s registration in August 2020 due to the vessel’s involvement in sanctions violation activities. The Panel asked Mongolia for information concerning the vessel’s fraudulent transmission.

45. Mongolia confirmed that it had registered the formerly Honduras-flagged *Bonvoy 6* (IMO No. 8682969) as the *Chang Shun 8* with the same maritime mobile service identity number of 457222000 in September 2020 and cancelled its registration on 24 September 2020 due to ties with the Democratic People’s Republic of Korea (see annex 30a and b). The *Bonvoy 6* last transmitted on its AIS profile in

<sup>34</sup> Updated ownership changes were not recorded by IMO.

<sup>35</sup> The letter was provided by Mongolia authorities and is held on file by the Panel.

<sup>36</sup> Non-Democratic People’s Republic of Korea-flagged vessels that have illicitly delivered refined petroleum to the Democratic People’s Republic of Korea.

<sup>37</sup> 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.

September 2019 at Luoyuan Bay, China. The Hong Kong incorporated entity Sure Metro Ltd. historically managed the *Bonvoy 6*. Open-source information indicates a connection between the individual who allegedly procured refined petroleum cargo for the *Diamond 8* and Sure Metro Ltd. The Panel is investigating additional associated network linkages related to the *Diamond 8* from a trade financing angle (see paras. 165–170 below).<sup>38</sup>

46. The Panel asked China for information on the vessel's identity, including the actual identity and legitimacy of the vessel transmitting on the above-mentioned Mongolia-associated maritime mobile service identity (MMSI), and any actions taken against the vessel pursuant to the relevant Security Council resolutions. China responded that “these two vessels are of different types, therefore it's difficult for them to transmit as each other. Since 2020, neither of the two vessels has entered Chinese ports”. The full responses of China on maritime issues are contained in the respective maritime annexes.

47. The Panel notes that annex 34 to the present report that shows that vessels have been known to transmit fraudulent identifiers that do not match their length, type or flag and that the deliberate manipulation of a stated ship type or vessel length in a vessel's AIS profile can be detected through observation.

Figure V

***Diamond 8* transmitting as *Chang Shun 8*, Sansha Bay, China, 2 May 2021**



Source: Planet Labs and Member State.

**Bonvoy 3 (aka Fu Shun 3)**

48. The *Bonvoy 3* (IMO No. 8714085), a vessel reported by the Panel to have delivered refined petroleum to the Democratic People's Republic of Korea in 2019 and 2020, was also managed by Sure Metro Ltd. until May 2018. The vessel was then owned by the Faith Trade Group Ltd., a British Virgin Islands-registered company, and renamed the *Fu Shun 3*. Following the issuance of Panel's report of August 2020 (S/2020/840 and S/2020/840/Corr.1), the vessel came under the new ownership of Lu Chang Shipping (HK) Co. Ltd.<sup>39</sup> (see annex 31). This overall modus operandi of ownership changes is consistent with the Panel's previous reporting, where vessels involved in sanctions violation cycle through ownership and/or management changes that are not updated on maritime databases, even when the vessel has been exposed. Panel investigations further indicate that the different entities involved with the

<sup>38</sup> See also [c4ads.org/black-gold](https://c4ads.org/black-gold).

<sup>39</sup> 鷺昌船務(香港)有限公司.

*Bonvoy 3* share network linkages to individuals associated with the *Diamond 8*,<sup>40</sup> for instance, Lu Chang Shipping was also listed as the owner and operator of the *Chang Shun 8* (see preceding case). The Panel has yet to receive a response from Lu Chang Shipping.

Xing Ming Yang 888

49. The *Xing Ming Yang 888* (IMO No. 8410847)<sup>41</sup> used a fraudulent identity as the Honduras-flagged *Vi fin* (maritime mobile service identity No. 334191000) in May 2021, while also broadcasting the call sign 9LU2843, formerly associated with the direct delivery vessel *Vifine* (IMO No. 9045962),<sup>42</sup> itself reflagged under the Democratic People's Republic of Korea in August 2020<sup>43</sup> sailing as the *Un Hung*. The name *Vi fin* does not appear to be registered with IMO (see annex 32). All three vessels have been recommended by the Panel for designation for the delivery of refined petroleum to the Democratic People's Republic of Korea on multiple occasions.

#### Locations frequented by direct delivery vessels

50. Maritime databases, high-resolution satellite imagery and information provided by Member States indicate that many of the direct delivery tankers previously proposed for designation by the Panel have routinely either transited through or returned to waters near the port area in Ningde, the Dongyin Island area and Sando Dao area, China, where they either have not transmitted AIS signals or have done so fraudulently. Between March and April 2021, the *Bonvoy 3*, *Diamond 8* and *Rich United* (aka *Xin Hai*) (IMO No. 9129213) were anchored near Dongyin Island, while the *New Konk* (IMO No. 9036387) and the designated *Yuk Tung* (IMO No. 9030591) were anchored near Fu'an and Xiyang Island, respectively (see annex 33a). In its previous reports, the Panel identified these direct delivery vessels within these waters, and these recent sightings are not isolated incidents.

51. A Member State provided an additional list of vessels, including tankers of the Democratic People's Republic of Korea, vessels that have previously engaged in ship-to-ship transfers with Democratic People's Republic of Korea-flagged ships and other vessels of interest, in Chinese territorial waters (see annex 33b). The Panel notes the repeated and routine presence in these waters of Democratic People's Republic of Korea-flagged, Democratic People's Republic of Korea-associated and suspect vessels known to have been involved in sanctions evasion. The Panel provided China with that list of vessels, including those mentioned above and included in annex 33a and b, and asked for information on the vessels' activities, the identifiers on which the vessels were transmitting and the validity of those identifiers, as well as the vessels' dates, origin and destination and their stated purpose in Chinese waters.

52. China responded that "according to Chinese verification ... vessels suspected to be delivering refined petroleum products to the DPRK ... have not entered Chinese ports since 2020".

#### *Democratic People's Republic of Korea-flagged cargo vessels spoofing AIS profiles*

53. Vessels of the Democratic People's Republic of Korea employed similar obfuscation techniques to mask their presence and where they trade. While most cargo vessels of the Democratic People's Republic of Korea have been observed not to transmit AIS signals, those that do mainly transmit fraudulent identifiers, particularly in Ningbo-Zhoushan waters in China, where they have gathered to transfer their coal

<sup>40</sup> Investigations are under way.

<sup>41</sup> S/2021/211.

<sup>42</sup> S/2020/151.

<sup>43</sup> Flag information updated by IMO in 2021.

cargo. These fraudulent AIS profiles, while hiding vessels' true identities, are identifiable on commercial maritime databases.

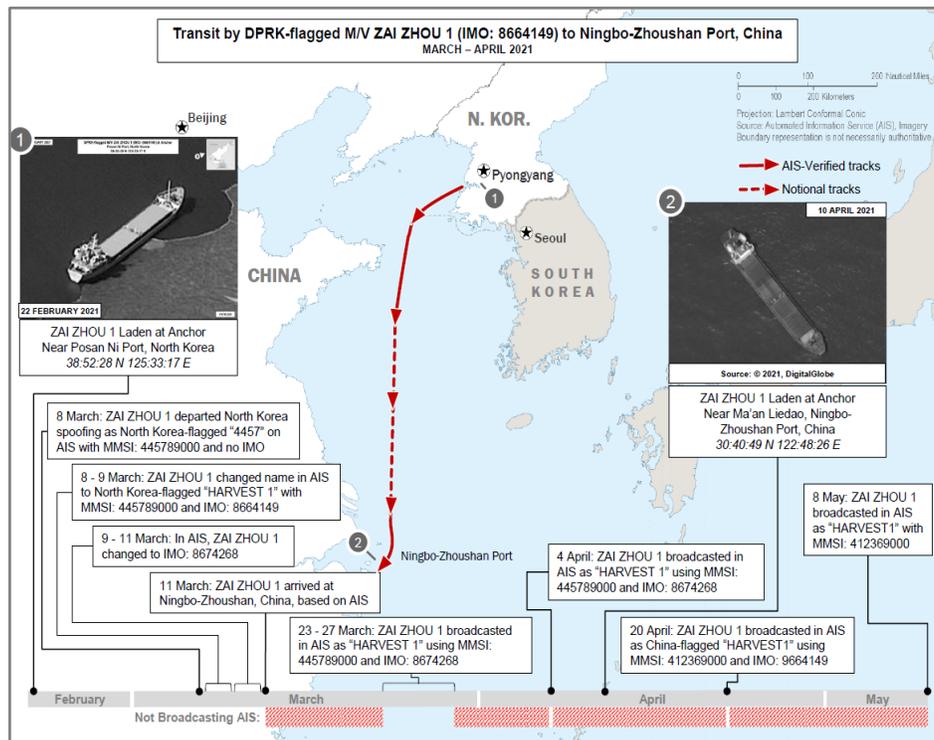
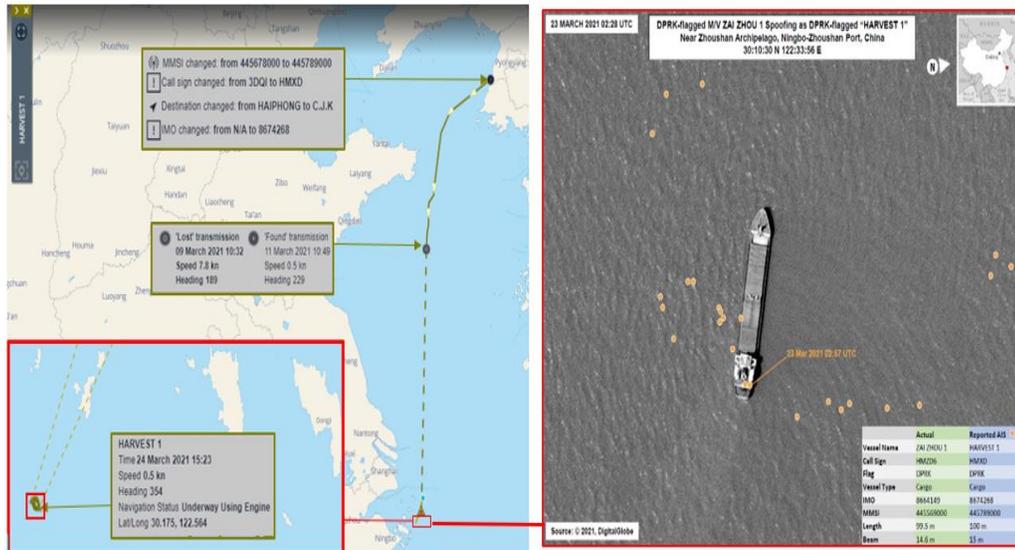
54. The data inconsistencies included transmissions with no ship dimensions; incomplete or inconsistent vessel data; multiple changes to transmitted maritime mobile service identity or IMO numbers over a short period of time; transmission of unregistered IMO numbers; or unlikely vessel-type information.<sup>44</sup> In one instance, the Democratic People's Republic of Korea-flagged *Zai Zhou 1* (IMO No. 8664149) did not conceal its flag status while transmitting on a different maritime mobile service identity number and name when it arrived at Ningbo-Zhoushan waters in March 2021 (see figure VI). While still at Ningbo-Zhoushan, the vessel changed its identity and transmitted as a China-flagged vessel while retaining the same vessel name, *Harvest 1*. The *Zai Zhou 1* was captured on satellite imagery on 3 May 2021 alongside other Democratic People's Republic of Korea-flagged vessels laden with coal (see figure VII). The Panel provided additional examples of fraudulent transmissions of other vessels of the Democratic People's Republic of Korea (see also annex 34) and asked China for information on the activities of vessels of the Democratic People's Republic of Korea, the identifiers on which the vessels were transmitting and the validity of those identifiers, as well as the vessels' dates, origin and destination and their stated purpose in Chinese waters.

55. China responded that "according to China's verification, ... most vessels alleged to be delivering coal to China ... have not entered Chinese ports since 2020".

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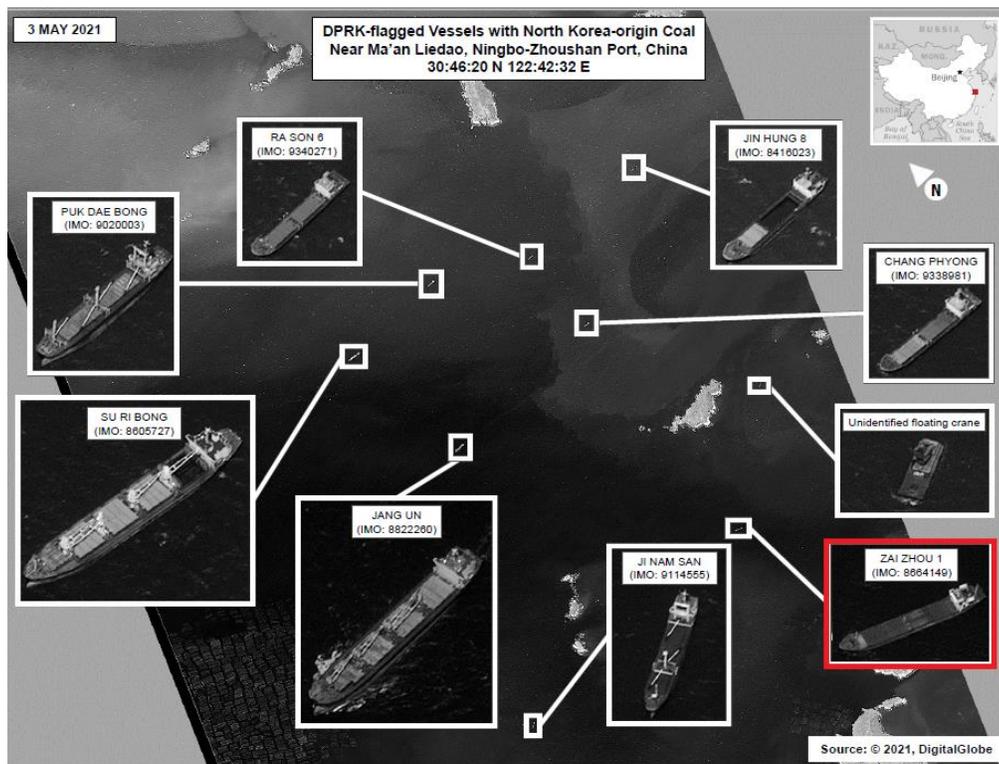
<sup>44</sup> For example, a cargo vessel transmitting as a fishing vessel or vessels spoofing as an oil rig platform.

Figure VI  
**Zai Zhou 1** of the Democratic People’s Republic of Korea transmitting as another vessel of the Democratic People’s Republic of Korea and on other vessel identifiers, March–April 2021



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

Figure VII  
**Zai Zhou 1** laden with coal alongside vessels of the Democratic People's Republic of Korea, Ningbo-Zhoushan, May 2021



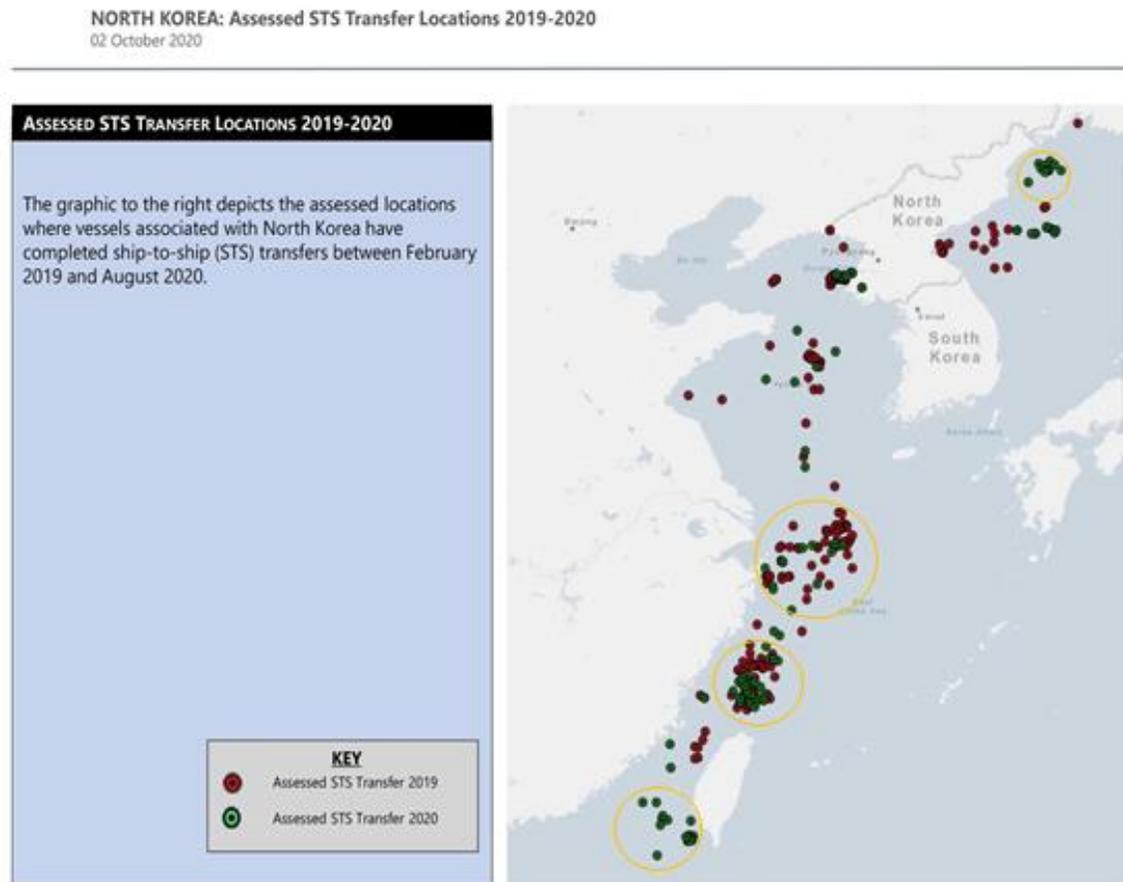
Source: Member State.

56. While these vessels can utilize physical evasion tactics such as painting over their names or using fake maritime mobile service identity or IMO numbers, the deliberate manipulation of a stated ship type or vessel length in an AIS profile in order to obfuscate is detectable through observation.

#### Illicit ship-to-ship transfer areas

57. A Member State provided the following graphic update on the assessed locations where illicit ship-to-ship transfers by vessels associated with sanctioned activities related to the Democratic People's Republic of Korea occurred from 2019 to 2020 (see figure VIII). The largest concentration of activity remained consistent with past reporting by the Panel (middle circled area), with two new activity areas observed in 2020 (top and bottom circled areas).

Figure VIII  
**Ship-to-ship transfer areas associated with the Democratic People's Republic of Korea,  
 February 2019 to August 2020**



Source: Member State; circled annotation: the Panel.

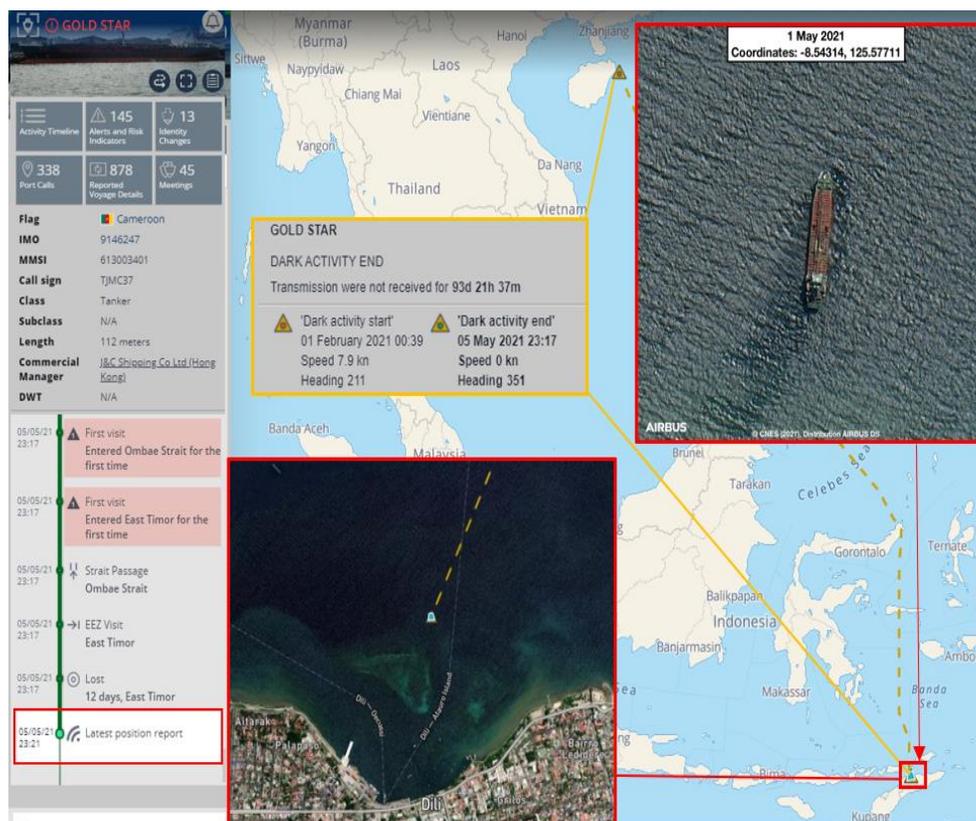
### **Other modus operandi relating to sanctions evasion**

#### **Gold Star**

58. The Panel is investigating the formerly Cameroon-flagged *Gold Star* (IMO: 9146247) for allegedly engaging in multiple ship-to-ship transfers of refined petroleum products with Democratic People's Republic of Korea-flagged and Democratic People's Republic of Korea-associated vessels in 2019 and 2020 (see annex 35 (a) for additional details).

59. According to a Member State, the *Gold Star* loaded refined petroleum from an oil terminal at Yangpu, Hainan Island, China, and transferred it to the Democratic People's Republic of Korea-flagged *Kum Jin Gang 3* (IMO No. 8791667) in mid-November and early December 2019. In late August 2020, maritime databases showed the vessel once again at Yangpu, where it remained until departure for a port in Ningde, China, in November 2020. A port clearance document showed that the *Gold Star* had fraudulently utilized the identifiers of the Mongolia-flagged *Ocean Star* as its cover identity (see annex 35 (b)) to enter Ningde. No AIS signal from the vessel was further recorded until its arrival off the coast of Dili in May 2021 (see figure IX).

Figure IX  
Last AIS transmission of the *Gold Star*, Dili, May 2021<sup>45</sup>



Source: Windward, Google Earth, annotated by the Panel; vessel satellite imagery: Airbus Defence and Space.

60. Mongolia confirmed the provisional registration of the *Ocean Star* with IMO No. 8351584 from 30 September 2020 to 11 January 2021, when the vessel was excluded from its ship registry. Prior to registration, the ship had sailed as the China-flagged *Zhe You 8*.<sup>46</sup> Dama Trade Co. Limited provided corporate registry services to the registered owners of *Ocean Star*. Dama Trade Co. Limited uses the same Hong Kong address<sup>47</sup> as another corporate service provider that registered J&C Shipping Co., Ltd<sup>48</sup> (hereafter “J&C Shipping”), as well as other providers that have registered other direct delivery vessels previously investigated by the Panel.

61. J&C Shipping was the owner and operator of the vessel during the time the suspected sanctions evasion activities were conducted. The Member State has further assessed that an entity of the Democratic People’s Republic of Korea, Mulgil Trading General Corporation, was also involved in hiring the vessel to engage in the unreported import of refined petroleum products to the Democratic People’s Republic of Korea. The Panel wrote to China in September 2020, informing authorities of the presence of the suspect vessel in Chinese waters off Yangpu, Hainan Island, asking for information on the vessel’s location, identity details, ship-to-ship transfer

<sup>45</sup> As at June 2021.

<sup>46</sup> No commercial tracking records of this vessel appear to exist. The vessel is currently listed (as at June 2021) under its original Chinese-flagged registration on maritime databases.

<sup>47</sup> Address: Room 19C, Lockhart Centre, 301-307 Lockhart Road, Wan Chai, Hong Kong, China.

<sup>48</sup> 捷程海運有限公司.

activities and cargo, and posing questions about Mr. Cheng Yuantai, who was listed as the founding Director and shareholder of J&C Shipping from 2019 to 2020<sup>49</sup> according to Hong Kong corporate registry records. See figure X for the response from China.

Figure X

**Response from China concerning the *Silver Star 1*/*Gold Star* and registered owner information on J&C Shipping**

**(4) OC.233**

The Chinese side did not find the vessel “Golden Star” staying in waters off Yangpu port of Hainan. With regard to the Chinese national Cheng Yuantai who was mentioned in the Panel’s letter as relevant to this case, in fact, Cheng is a nearly 80-year-old farmer. He does farming at home place all year long. There is no company under his name. He does not have any certificate for exiting and entering Chinese borders, and has no relation with any companies in Hong Kong SAR or DPRK vessels. China hopes that the Panel does not readily believe information which is against facts.

Source: Member State.

Note: “*Golden Star*” is the same translation as “*Gold Star*” in Mandarin. The *Gold Star* (IMO No. 9146247), the vessel the Panel sought information on, is under investigation.

62. To evade detection, vessels operated by J&C Shipping employed modus operandi including conducting illicit transfers at night inside Chinese territorial waters; offloading small amounts of fuel during ship-to-ship operations that lasted from four to six hours; keeping vessels outside port to the detriment of the health and safety of the crew; and falsification of vessel identifiers, including using a fraudulent name and IMO number to enter a Chinese port.

63. Subsequent Member State information indicated that a Mr. Cheng Bin of J&C Shipping directed these activities during the periods of investigative interest. Mr. Cheng communicated through the messaging application WeChat and used different telephone numbers for each of the ship-to-ship operations.

64. Investigations by the Panel show that the activities of J&C Shipping are consistent with the modus operandi employed by other entities that owned and/or managed vessels previously investigated by the Panel. This included having no online footprint; establishing a shell company with a sole director with no reported dealings with the vessel (see figure IX above); and the use of corporate registry service providers as an added obfuscating layer, all with the purpose of hiding the true identity of the beneficial owner for sanctions evasion.

65. The Panel asked China for information on the oil transferred from a terminal at Yangpu, the reported illicit ship-to-ship transfers with the Democratic People’s Republic of Korea and Democratic People’s Republic of Korea-associated vessels, due diligence conducted by the relevant authorities on the validity of identifier information provided by the *Gold Star* at port, the validity of corporate registry

<sup>49</sup> Hong Kong corporate registry records showed a transfer of directorship from Mr. Cheng Yuantai to a Russian individual, Mr. Yuri Chernilovskiy, with an address in Nakhodka, Primorskiy Krai, Russian Federation, in April 2020.

ownership information provided by J&C Shipping, and any additional steps taken in investigations and/or detention relating to the *Gold Star*.

66. China responded that the *Gold Star* had left Yangpu in late November 2019 but had not entered Chinese ports since that time. No information was available regarding the alleged transfer of refined petroleum products by the vessel. China stated that no “ports-entry request” had been submitted to Chinese ports by the *Ocean Star* in November 2020 and that the port clearance document “is fake”. China also stated: “*Ocean Star* did not enter Chinese ports, and *Gold Star* did not enter Chinese ports under fraudulent identity of *Ocean Star*.” On J&C Shipping, China stated as follows:

The Hong Kong SAR company J&C Shipping, mentioned in the Panel’s letter as the operator of *Gold Star*, was cancelled in March 2021. There is no record of this company’s import and export trade or its involvement in DPRK-related smuggling activities. China hopes that the Panel does not readily believe information which is inconsistent with facts.

67. The Panel also sought information from multiple parties including Cameroon, Mongolia, Palau, the Russian Federation, Sierra Leone and Timor-Leste, as well as the relevant current or former owning and/or managing entity or entities responsible for the vessels, including Mr. Cheng Bin. Details of the responses are contained in annex 35 (a).

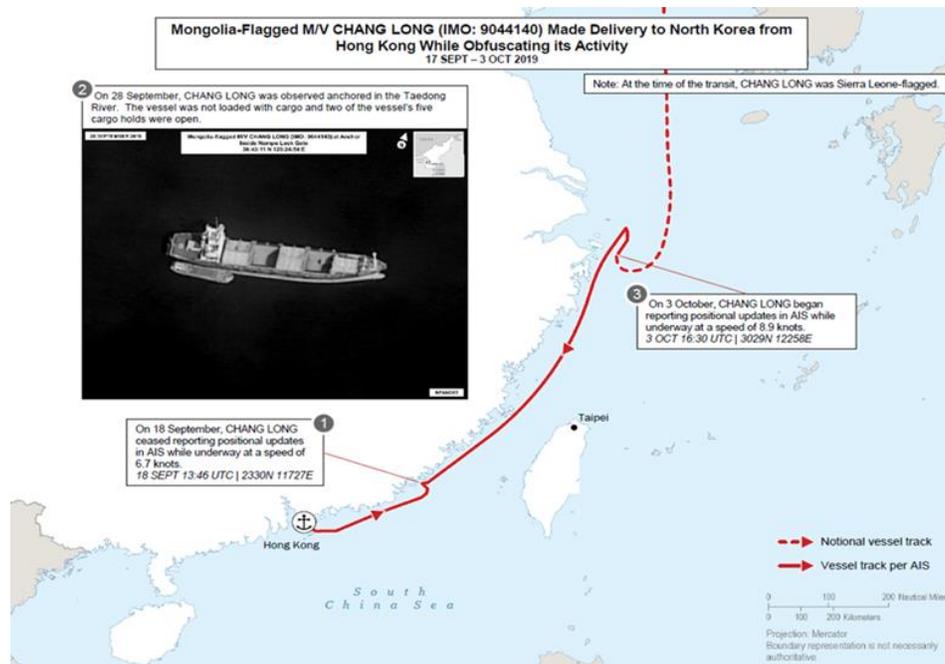
*Ji Yuan (also known as Chang Long)*

68. The formerly Sierra Leone-flagged *Ji Yuan* (also known as *Chang Long*)<sup>50</sup> (IMO No. 9044140) was reported by a Member State to have conducted multiple shipments from Hong Kong to the Democratic People’s Republic of Korea, including a shipment of an S-Class Mercedes Benz in September and October 2019 (see figure XI) and two containers of unspecified electronic goods in November of the same year. The shipment of the luxury vehicle was reportedly facilitated by Yee Fat Motor Trading (H.K.) Company, a Hong Kong-registered company (see also paras. 73 and 146).

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<sup>50</sup> The vessel sailed under the Mongolian flag as *Chang Long* from August 2020 to June 2021, when it was deregistered.

Figure XI  
**Shipment voyage of the *Ji Yuan* to the Democratic People's Republic of Korea, September to October 2019**

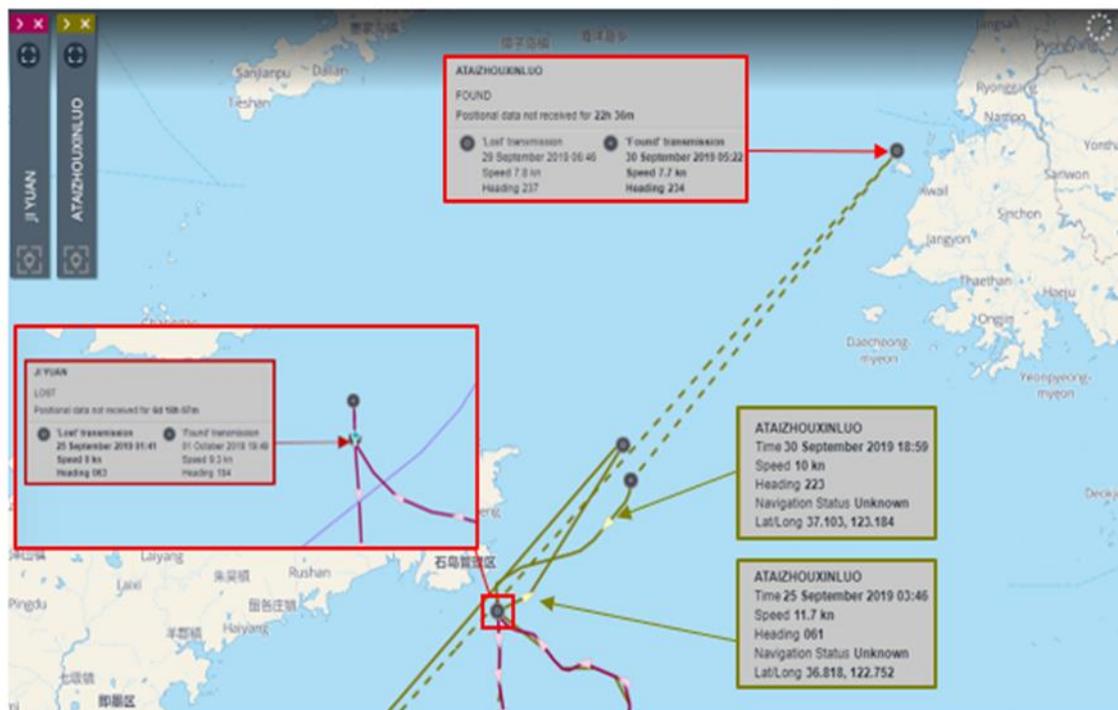


Source: Member State.

69. Investigations by the Panel into the voyages of the vessel in October and November 2019 showed that the *Ji Yuan* was also transmitting on another MMSI number, namely, 300800121,<sup>51</sup> which in the case of the September 2019 shipment, would have placed the spoofed AIS signal of the vessel in Democratic People's Republic of Korea waters. This is consistent with the dates the Member State provided regarding the presence of the *Ji Yuan* in the Democratic People's Republic of Korea on 28 September 2019 (see figure XII). The AIS signal jumps, showing that the same MMSI was at two different locations around the same time, indicated that the *Ji Yuan* was spoofing a vessel that operated locally in Chinese waters (see annex 36 (a)).

<sup>51</sup> This MMSI reportedly belongs to a 20-metre-long cargo vessel sailing with the alternating names *Ataizhouxinluo* and *Guanyunyu60230*.

Figure XII  
 Spoofed MMSI transmissions by the *Ji Yuan* placing it in Democratic People's Republic of Korea waters, September 2019



Source: Windward, annotated by the Panel.

70. Corporate registry records listed the director of the Jiyuan Shipping Ltd,<sup>52</sup> incorporated in the United Kingdom of Great Britain and Northern Ireland, as a Mr. Zhuang Jixiang, with an address in Fujian, China. The listed corporate secretary for Jiyuan Shipping, Yunma Tianlong International Consulting Co. Limited,<sup>53</sup> had also served in the same capacity with the entities Always Smooth Ltd and Good Siblings Ltd, which were registered owners of vessels<sup>54</sup> reported by the Panel to have violated sanctions.

71. The Panel sought the assistance of China, Mongolia, Sierra Leone, the United Kingdom and related entities. Additional details on the case and the responses are provided in annexes 36 (a) to (c).

72. China confirmed the information provided to the Panel that the registered owner entity was registered in the United Kingdom and provided some information concerning the vessel's cargo (see para. 146).

73. Mongolia provided information and documentation on the vessel that showed that the *Ji Yuan* had been sold by a Republic of Korea-registered company, Korea Marine Transport Co., Ltd, to a Hong-Kong incorporated company, Good Job Trading Limited (hereafter "Good Job"), on 26 July 2019 for \$1.1 million (see annex 36 (d)).

<sup>52</sup> The company was listed as dissolved on 23 March 2021.

<sup>53</sup> The company's address at United G25, Waterfront Studios, 1 Dock Road, London, United Kingdom of Great Britain and Northern Ireland, appears to be an address registering several companies that provide corporate secretary services.

<sup>54</sup> The vessels were the then Togo-flagged *Lucky Star* (IMO No. 9015278) and the then Togo-flagged *Asia Bridge* (IMO No. 9010022), respectively.

The vessel's shares were then transferred from Good Job to Jiyuan Shipping Ltd on 15 August 2019 for \$1 (see annex 36 (e)), just prior to the reported delivery by the *Ji Yuan* of a luxury car to the Democratic People's Republic of Korea the following month (see also paras. 68 and 146). Mongolia deregistered the vessel, sailing as *Chang Long* under its flag, along with the relevant issued ship certificates on 14 June 2021 (see annex 36 (f)). Mongolia's maritime circular is attached in annex 36 (g).

74. Sierra Leone provided the requested shipping documentation and confirmed that the *Ji Yuan* had been deleted from its ship registry on 3 April 2020 in relation to its engagement with activities prohibited by the Security Council resolutions.

75. The United Kingdom responded that it was following up on the requested information regarding the relevant companies and would revert with more details in due course.

### Vessel acquisition

76. Since 2019,<sup>55</sup> the Democratic People's Republic of Korea has expanded its fleet through the addition of former foreign-flagged tanker and cargo vessels in contravention of the relevant United Nations resolutions that prohibit the direct or indirect supply, sale or transfer of vessels old and new to the Democratic People's Republic of Korea. A number of the vessels had been sailing without a flag for a few years before being registered by the Democratic People's Republic of Korea, when they continued to sail and trade, delivering illicit refined petroleum to the Democratic People's Republic of Korea and exporting coal originating from the Democratic People's Republic of Korea. In a number of cases, the vessels were managed by the same entities and followed a very similar ownership pattern prior to sale. A Member State has assessed several of the vessels as having been controlled by the Democratic People's Republic of Korea before being flagged under the Democratic People's Republic of Korea.

77. Several of these vessels were reported by the Panel before they were belatedly updated as Democratic People's Republic of Korea-flagged, including through sale to undisclosed buyers. Some of the vessels were sold on ship auction websites, while others were procured through third-party brokers. The following are examples of vessels that were reflagged under the Democratic People's Republic of Korea ship registry in 2020.

#### *Sin Phyeong 5 (formerly known as Woo Jeong)*

78. The formerly Republic of Korea-flagged vessel *Woo Jeong*, also known as *Sin Phyeong 5* (IMO No. 8865121),<sup>56</sup> was flagged under the Democratic People's Republic of Korea in October 2020. As in the case of other vessels previously reported by the Panel to have come under the control of the Democratic People's Republic of Korea (such as the *Enterprise* (IMO No. 9153331),<sup>57</sup> see para 81. below), the final AIS transmission by the *Woo Jeong* was recorded in waters off Shidao, China, around 27 July 2019. Young Sung Global Co. Ltd (hereafter "Young Sung Global") was listed as the last registered owner, operator and manager of the *Woo Jeong* prior to its ownership under the Democratic People's Republic of Korea.<sup>58</sup> The Republic of Korea confirmed the deregistration of the vessel's flag on 10 September 2019 for the reason of export.

<sup>55</sup> According to maritime database records, more than a dozen tankers as well as cargo vessels were added to the Democratic People's Republic of Korea fleet in 2019 and 2020.

<sup>56</sup> Information updated by IMO in 2021.

<sup>57</sup> See S/2021/211, paras. 71–72.

<sup>58</sup> Listed by IMO as the vessel's owner, manager and operator from June 2012 to October 2019.

79. According to Young Sung Global, the ship sale was sourced via brokers and the ship was purchased by a Chinese entity. The ship brokering firm that identified the buyer conducted all the sale formalities with the broker in China. The vessel was sold in July 2019 to a Mr. Zhang Rusheng, on behalf of Deepika Shipping and Trading Ltd (hereafter “Deepika Shipping”), listed as the buyer. The Panel notes that Deepika Shipping was also listed as the registered owner and operator of the *Sen Lin 01* (IMO No. 8910378),<sup>59</sup> a direct delivery vessel that has since been flagged under the Democratic People’s Republic of Korea and is sailing as *Kwang Chon 2*.<sup>60</sup> In addition, Korea Myongryu Trading Co., the Democratic People’s Republic of Korea owner of the *Sin Phyong 5*, also owns the *Sin Phyong 2* (IMO No. 8817007),<sup>61</sup> a tanker that the Panel has previously reported as having been acquired by the Democratic People’s Republic of Korea in 2019, after the delivery of refined petroleum to the Democratic People’s Republic of Korea when sailing as the *Tianyou*. Investigations continue. See annexes 38 (a) to (c) for more details.

80. Other vessels that became Democratic People’s Republic of Korea-flagged included the *Xin Hai* (IMO No. 7636638), renamed the *Wol Bong San* (see annexes 37 (a) and (b)), and the *Ming Zhou 6* (IMO No. 8829878), renamed the *Tae Phyong 2* (see annex 39).

### Supply chain networks

81. The Panel continued its investigations into the Democratic People’s Republic of Korea-associated *Enterprise* (IMO No. 9153331), which has continued to export coal originating from the Democratic People’s Republic in Korea in 2021. Updated documentation obtained by the Panel indicated different addresses for the operator of the *Enterprise*,<sup>62</sup> Dalian Taiyuan International Shipping Agency Co. Ltd, provided to maritime databases compared with those recorded on shipping records. The address of the operator on shipping documentation matched a co-located building address associated with Vast Win Trading Limited, the former owner of the designated *Jie Shun* (IMO No. 8518780). The previous sole director of the vessel and shareholder, Ms. Gu Min, was also associated with the Panel’s investigations into the *Jie Shun* (see annex 40). Investigations continue.

<sup>59</sup> See [S/2020/151](#).

<sup>60</sup> See [S/2020/840](#).

<sup>61</sup> *Ibid.*

<sup>62</sup> *Ibid.*, para. 55 and annex 32 (b).

### **Fishing rights transfers**

82. Information provided by a Member State to the Panel showed that the Democratic People's Republic of Korea continues to sell fishing rights to entities of a third country, allowing their operation in its territorial waters. Several official documents, including fishing rights certificates and insurance policies, issued by the Democratic People's Republic of Korea's Korea National Insurance Corporation (KPe.048) were obtained in 2020 from third-country fishing fleets. A map of a special area for permitted fishing<sup>63</sup> and guidelines for the fishing fleets issued by Democratic People's Republic of Korea authorities were also obtained from these fishing fleets (see annex 41). According to a Member State, rights to fish in Democratic People's Republic of Korea waters for a period of four to five months had been purchased for around 200,000 renminbi (\$30,867) to 300,000 renminbi (\$46,301).

83. The Panel continues to receive information, including on the possible ports of departure, the MMSI signals of the vessels and relevant private entities involved in fishing-rights transfer activities. Investigations continue.

84. During the reporting period, the Panel wrote again to Choe Un Bok, Chairperson of the General Association of Koreans in China, who is believed to be involved in selling Democratic People's Republic of Korea fishing rights,<sup>64</sup> and to Weihai Peninsula Vessel Fuel Co. Ltd, which was involved in the planning of a fishing joint venture with a Democratic People's Republic of Korea entity.<sup>65</sup> China replied (see annex 42) that according to its investigation, no substantial evidence had been found on the alleged involvement of General Association of Koreans in China and Weihai Peninsula Vessel Fuel Co. Ltd. Investigations continue.

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

#### *Coal exports by Democratic People's Republic of Korea vessels*

85. From February to May 2021, a Member State assessed that at least 364,000 metric tons of coal originating from the Democratic People's Republic of Korea were exported by Democratic People's Republic of Korea-flagged and Democratic People's Republic of Korea-controlled vessels to the Ningbo-Zhoushan area in at least 41 shipments.<sup>66</sup> The Panel notes that this estimated volume of exported coal during the four-month period was significantly lower by average comparison with the 2020 shipment figures provided by the same Member State, which estimated a 12-month total of at least 4.8 million metric tons of coal and other sanctioned minerals exported in 636 shipments to China (see annex 43).<sup>67</sup>

86. However, the Member State has also assessed that the Democratic People's Republic of Korea was poised to resume large-scale exports of coal. Satellite imagery on 4 April 2021 captured 32 Democratic People's Republic of Korea-flagged vessels at Taean Port, Democratic People's Republic of Korea, with all but three laden with coal (see annex 47). The Panel continues to monitor the situation.

87. The export of coal shipments from the Democratic People's Republic of Korea has followed previously identified patterns: Democratic People's Republic of Korea-flagged and Democratic People's Republic of Korea-controlled vessels have been located within the same areas within Ningbo-Zhoushan waters; they have been

<sup>63</sup> Literally named “처별작업구역” by the Democratic People's Republic of Korea authorities, this is a simplified map of an area in Democratic People's Republic of Korea waters where vessels of a third country were permitted to fish under strict surveillance.

<sup>64</sup> See S/2021/211, para. 54 and annex 32 (a).

<sup>65</sup> Ibid., para. 55 and annex 32 (b).

<sup>66</sup> Information as at May 2021.

<sup>67</sup> Two experts expressed the view that the information in this paragraph requires verification.

involved in ship-to-ship transfers with large Chinese-flagged cargo vessels; and they have broadcast fraudulent identifiers or have not transmitted AIS signals at all.

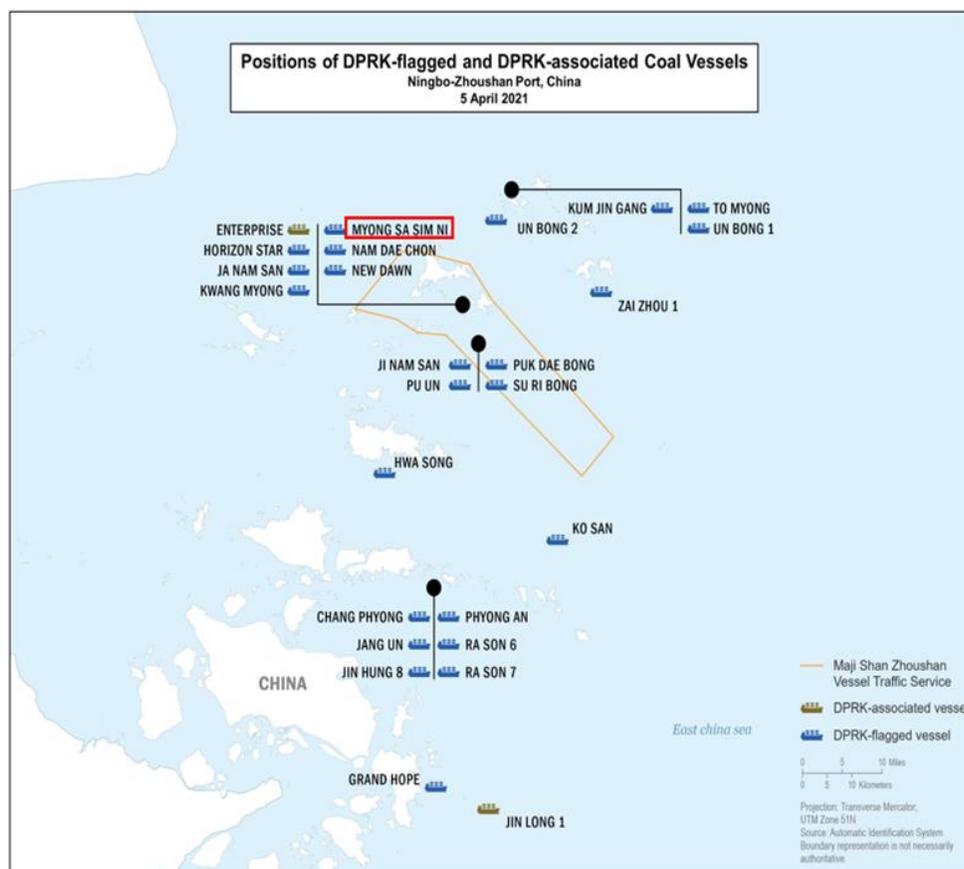
88. In a marked change from previously observed activity of foreign coastal barges importing coal from the Democratic People's Republic of Korea,<sup>68</sup> no such barges have been reported to the Panel as entering Democratic People's Republic of Korea waters in 2021.

89. The Panel continued to seek the assistance of China on the presence of multiple Democratic People's Republic of Korea and Democratic People's Republic of Korea-linked vessels in Ningbo-Zhoushan waters (see figure XIII), where they have continued to gather to export coal via ship-to-ship transfers<sup>69</sup> (see also annex 44).

90. A number of these vessels have featured in previous Panel reports for illicitly exporting coal in the same waters. Several of the Democratic People's Republic of Korea vessels continued to remain in the same area over a period of time (see figure XIV).<sup>70</sup> These areas are subject to relevant port and other governing maritime authorities that collect information on vessel activities.

Figure XIII

**Illustration of Democratic People's Republic of Korea-flagged and Democratic People's Republic of Korea-associated vessels, Ningbo-Zhoushan, China, 5 April 2021**



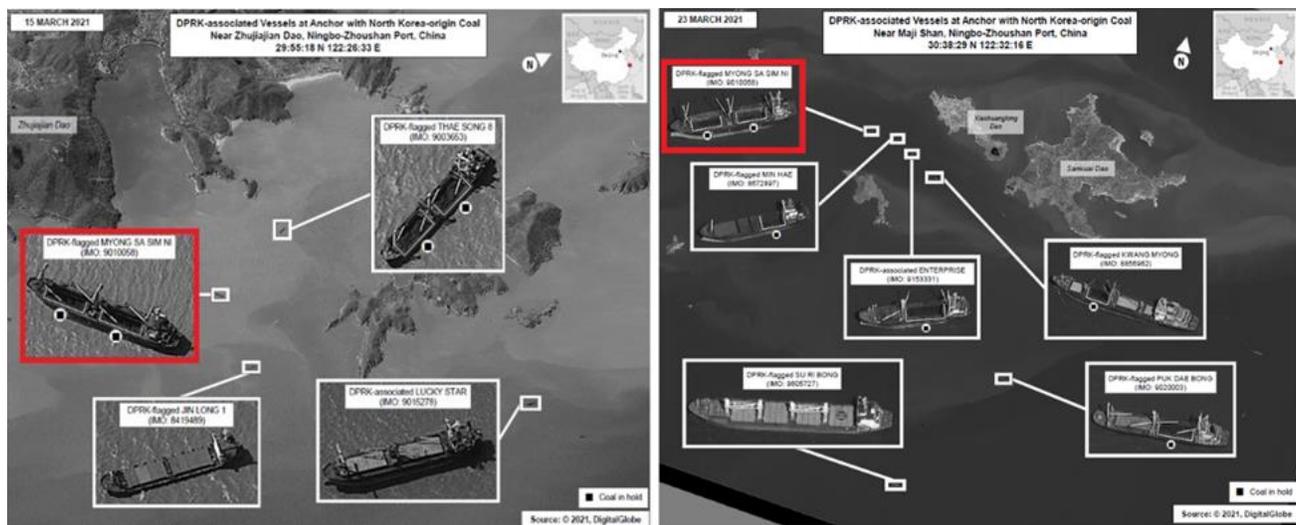
Source: Member State.

<sup>68</sup> See S/2020/151, paras. 67–68, and S/2021/211.

<sup>69</sup> See S/2021/211.

<sup>70</sup> These included *Myong Sa Sim Ni*, *Enterprise*, *Kwang Myong*, *Puk Dae Bong* and *Su Ri Bong*.

Figure XIV  
Democratic People's Republic of Korea vessels at different locations near Maji Shan, China, Vessel Traffic Service area, March and April 2021



Source: Member State.

91. The Panel asked China for information on each of the Democratic People's Republic of Korea vessels present 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, and the end destinations of the offloaded coal cargo.

92. China responded as follows:

...10 vessels with IMO number did not enter Chinese ports around 5 April 2021. Among these 10 vessels, *Kum Jing Gang* and *Un Bong 2* submitted port-entry requests to Dalian and Yantai respectively, but in fact they did not enter ports. Regarding the other 16 vessels without IMO number, China could not check their information as China is not the flag state of these vessels.

93. The Panel has obtained imagery from a Member State showing Chinese maritime law enforcement patrols operating in close proximity to several Democratic People's Republic of Korea vessels on a number of occasions. These Democratic People's Republic of Korea vessels were all reported to have offloaded their coal to Chinese-flagged vessels. The Panel asked China for information that the Chinese patrol boats might possess on the identification and activities of the Democratic People's Republic of Korea vessels, the vessels receiving the transferred coal, and any associated actions taken.<sup>71</sup>

94. China responded as follows:

China attaches importance to combating and regulating illegal maritime activities. The patrol and law enforcement by Chinese coastal guard is conducive to maintaining navigation order in waters under Chinese jurisdiction, and is also faithfully implementing the obligations under relevant Security Council resolutions. Ningbo-Zhoushan waters is a sea area with very heavy traffic of various types of vessels. It is completely normal for Chinese coastal

<sup>71</sup> One expert objects to the inclusion of information relating to law enforcement in paras. 93–95.

guard vessels to be patrolling there. The activities of one country's law-enforcement force concern its national security. China requests the Panel to respect the legitimate rights and interests of Member States, and not to include in its report unverified information relating to Chinese coastal guard vessels, which will affect their security.

95. The Panel notes the concerns of China regarding the security of its coast guard and remains focused on the Democratic People's Republic of Korea vessels identified above. Confidential annex 45 contains the imagery provided by the Member State.

*Cargo vessels receiving coal originating from the Democratic People's Republic of Korea*

96. The Panel continues to investigate the usage by the Democratic People's Republic of Korea-flagged vessels of large China-flagged bulk cargo vessels to receive coal via ship-to-ship transfer in Chinese territorial waters.<sup>72</sup> The Panel is investigating two cases of China-flagged cargo vessels reported by a Member State to have loaded coal from Democratic People's Republic of Korea-flagged vessels in Ningbo-Zhoushan waters via ship-to-ship transfer and to have delivered that coal to Chinese ports between February and April 2021. Both vessels were transmitting a China-associated MMSI, with one vessel having a registered IMO number. The Panel received satellite imagery detailing the voyages of the vessels, including their night-time ship-to-ship transfers, the presence of the Chinese vessels at port in China with coal in their holds, the Democratic People's Republic of Korea vessels that transferred the coal, and details of the dates and times of the vessels' activities. Analysis by the Panel of the routes of the China-flagged vessels, reported draft changes, the proximity of Democratic People's Republic of Korea vessels where they were transmitting on AIS, and port analysis where the Chinese vessels docked are consistent with information provided by the Member State. This information was shared with China, with a request for further information.

97. China responded as follows:

Relevant Chinese authorities are conducting investigation and verification, and do not have information to share at the current stage. Since the investigation is still underway, China requests that the Panel does not include information related to these vessels in its report, and avoids interrupting China's investigation and law enforcement.

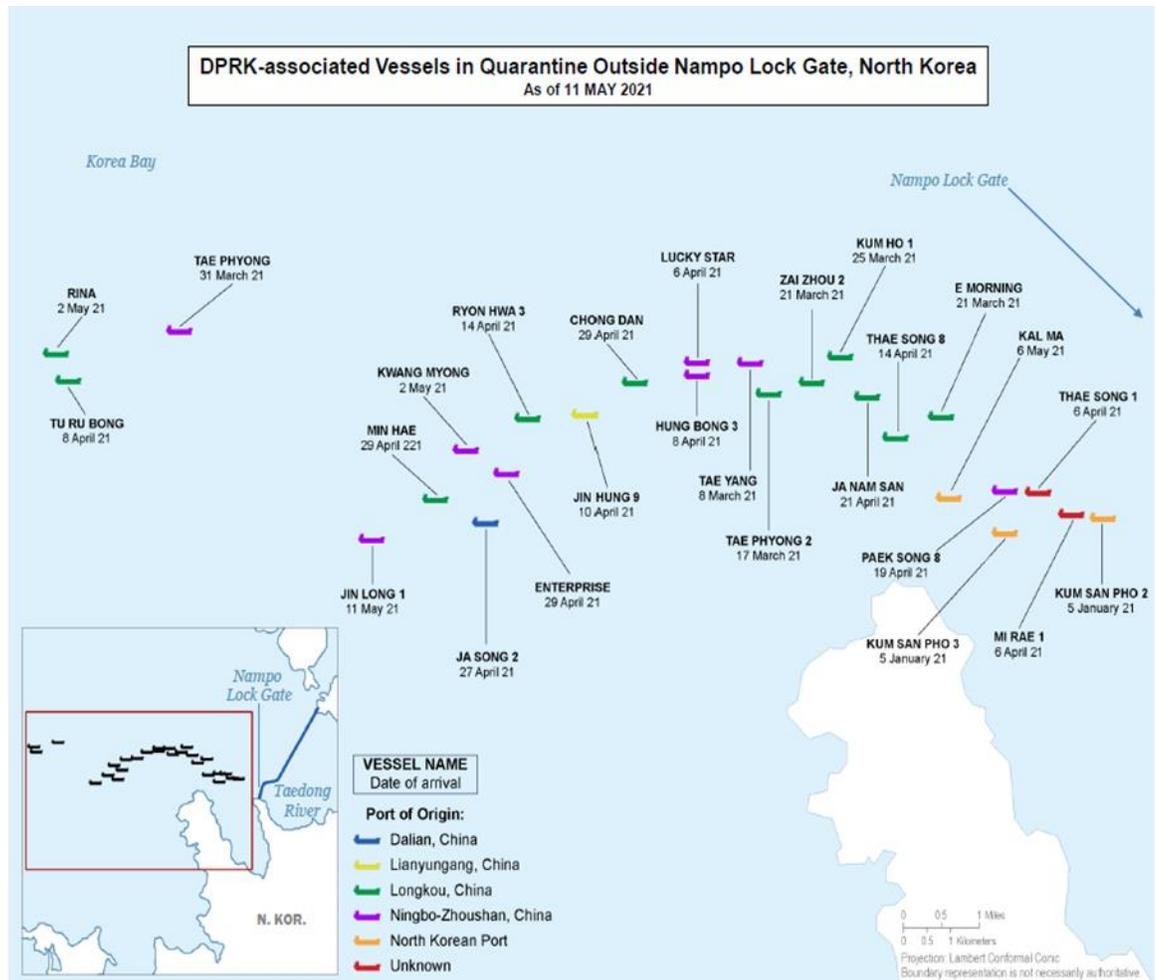
98. In view of the ongoing investigations by China into the named vessels, the Panel has retained the information on the identifiers, data and imagery of the vessels, and research into the listed entities that own and manage them. The Panel will update on the investigation by China in due course.

*Export of coal originating from the Democratic People's Republic of Korea and import of humanitarian cargo in a single round-trip voyage*

99. The Panel and Member State observation indicated that as at 11 May 2021, over two dozen Democratic People's Republic of Korea cargo vessels were anchored outside Nampo Lock Gate, Democratic People's Republic of Korea, an area that has become a long-term vessel quarantine area (see figure XV).

<sup>72</sup> See, for example, S/2021/211, paras. 58 and 65–66.

Figure XV  
**Democratic People’s Republic of Korea-flagged and Democratic People’s Republic of Korea-associated vessels at anchor outside Nampo Lock Gate, Democratic People’s Republic of Korea, after returning from ports and port areas in China, as at 11 May 2021**



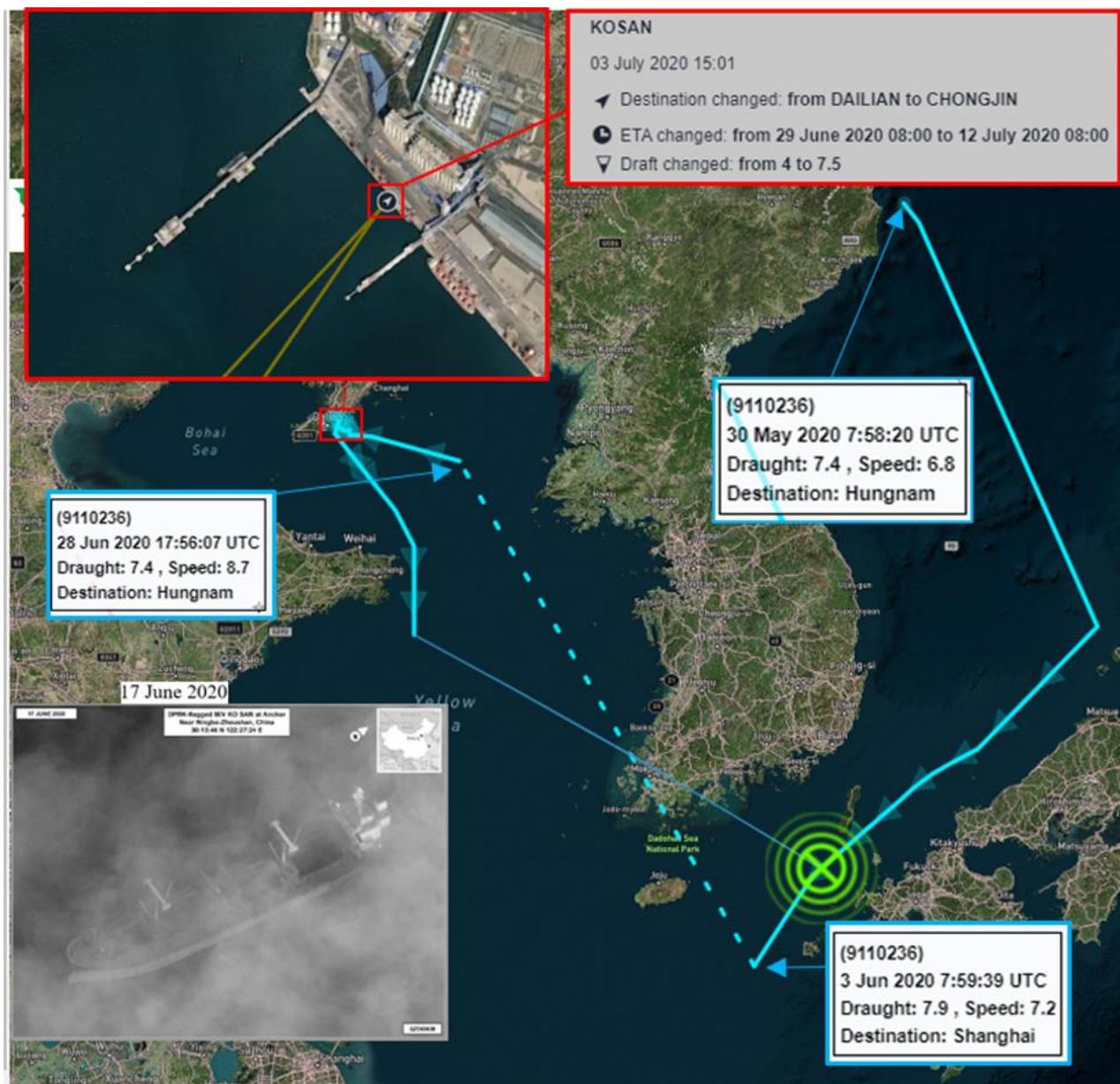
Source: Member State.

100. These Democratic People’s Republic of Korea vessels have returned from ports in China, based on Member State information. Some of the vessels, such as Democratic People’s Republic of Korea-flagged *Ko San* (IMO No. 9110236), that were tracked by the Panel were reported to have offloaded coal originating from the Democratic People’s Republic of Korea in Ningbo-Zhoushan waters before sailing to Dalian port, China, where the Member State stated the vessel “loaded humanitarian aid” on 1 July<sup>73</sup> for import to the Democratic People’s Republic of Korea (see figure XVI). See annex 46 for more details.

<sup>73</sup> Port analysis indicated that *Ko San* was berthed at the Beiliang grain terminal in Dalian, China.

Figure XVI

*Ko San* exported coal and imported likely humanitarian cargo in single voyage, May to July 2020



Source: Sea-web, IHS Markit annotated by the Panel; inset imagery: Windward; satellite imagery: Member State.

101. The Panel notes that vessels are permitted to carry humanitarian cargo to the Democratic People's Republic of Korea provided that they have not been involved in sanctions evasion activities, pursuant to paragraph 9 of Security Council resolution 2397 (2017), in which it is stipulated that Member States shall seize, inspect and impound vessels in their ports and may also do so for any vessel subject to its jurisdiction in its territorial waters if the Member State has reasonable grounds to believe that the vessel was involved in activities, or the transport of items, prohibited by resolutions.<sup>74</sup>

<sup>74</sup> See also S/2021/211, paras. 58 and 63–64.

102. Additional examples reported by a Member State containing satellite imagery and Panel investigations into the Democratic People's Republic of Korea vessels *Thae Song 8* (IMO No. 9003653), *Min Hae* (IMO No. 8672897) and *Tae Phyong 2* (formerly known as *Ming Zhou 6*) (IMO No. 8602763) that have similarly offloaded coal originating from the Democratic People's Republic of Korea in Chinese waters and picked up humanitarian aid cargo at Chinese ports in a single trip are provided in annex 46.

103. The Panel sought assistance from China on the activity of each of the 26 Democratic People's Republic of Korea vessels in figure XV, including information on which vessels had offloaded coal originating from the Democratic People's Republic of Korea or other sanctioned commodities through ship-to-ship transfers in Chinese territorial waters in 2021; any vessels involved in the transportation of coal originating from the Democratic People's Republic of Korea that also picked up humanitarian cargo at Chinese ports; and any barter trade in sanctioned Democratic People's Republic of Korea coal exports in exchange for grain or other imports from China.

104. China responded as follows:

*Thae Song 8*, *Min Hae* and *Tae Phyong 2* entered Longkou port empty-loaded and sailed to Nampo port after loading fertilizers and pesticide. *Ko San* entered Dalian Beiliang port empty-loaded and left after loading rice. China did not find these vessels smuggling coal within Chinese territorial waters and had no reason for prohibiting them from entering ports empty-loaded and loading humanitarian cargo.

## **Recommendations**

### ***On vessel identity laundering and swap***

105. **Member States and ship registries should issue up-to-date circulars on identified laundered AIS digital profiles used as cover identities, so as to caution against trading with such ships.**

106. **Where there is suspicion about the validity of the identifiers of a vessel, port and other relevant maritime authorities should conduct the necessary checks of the history of such vessels entering its port jurisdiction waters, pursuant to paragraph 9 of resolution [2397 \(2017\)](#).**

107. **Flag registries should require all applicants seeking to join their registry to include up-to-date photographs of the exterior (bow, stern deck) and interior of their vessels where vessel identifiers are displayed.**

108. **Member States hosting shipyards that service foreign-flagged vessels should raise awareness of the risk of vessels seeking physical alterations or other modifications to obfuscate their identity in order to engage in sanctionable activities.**

### ***On information-sharing***

109. **Flag registries should regularly publish a list of deregistered vessels on their website and in maritime circulars for the broader shipping community.**

110. **The misuse of MMSIs is a trend affecting various flag registries. To assist and ensure that the MMSIs of flag registries are not fraudulently used, the Panel encourages registries and Member States in whose waters vessels transmit fraudulent identifiers to investigate such vessels and to share the results of their investigations, including with the Panel, in particular where it relates to suspected sanctions evasion activities.**

*On AIS manipulation*

111. Member States should monitor and investigate vessels that broadcast suspect identifiers, particularly in waters where Democratic People's Republic of Korea and Democratic People's Republic of Korea-linked vessels are known to operate.

112. Flag registries should ensure dedicated personnel for monitoring the AIS status of their registries' fleet as part of their due diligence efforts, including contacting ships that broadcast AIS information that is different from that in their registered profile.

113. Classification societies should certify the existence of a single, functional, type A AIS system on each vessel as part of a periodic safety inspection. Inspections should look for evidence of multiple AIS systems.

*On beneficial ownership information*

114. The Panel reiterates its recommendation that Member States require their relevant competent authorities to disclose beneficial ownership information related to all legal entities seeking to register vessels under their ship registry. Member States with open registries should endeavour to collect identifying and contact information for each individual who owns or exerts control over the foreign entity to which each vessel belongs, whether as a controlling shareholder, a financier of the enterprise, or a senior manager or decision-maker. Such information should be made available to relevant entities such as law enforcement, as well as to the Panel, to facilitate sanctions implementation efforts.

**Trade statistics and customs issues**

115. Recorded foreign trade of the Democratic People's Republic of Korea plummeted from early 2020 in response to COVID-19 measures. Recorded total exports in 2020 reached approximately \$156.9 million, around 33 per cent of the 2019 figures. Total imports amounted to \$558.1 million, around 20 per cent of the amount in 2019 (see table 2). According to a Member State, sanctions imposed considerable additional costs on legal trade (including the necessity for heavy discounts in export prices, higher prices for imports, increased insurance premiums, increased cost of financial operations, and complications in custom clearance).<sup>75</sup>

Table 2

**Recorded trade of the Democratic People's Republic of Korea, 2018–2020**

(Thousands of United States dollars)

	2018	2019	2020
<b>Exports</b>	352 611	473 550	156 867
<b>Imports</b>	2 327 431	2 726 196	558 071
<b>Trade balance</b>	<b>(1 974 820)</b>	<b>(2 252 646)</b>	<b>(401 204)</b>

Source: International Trade Centre Trade Map, accessed 6 July 2021.

<sup>75</sup> See annex 48 for the 2020 Democratic People's Republic of Korea trade statistics by commodity (HS Code).

116. Some trade operations restarted in March 2021 after Democratic People's Republic of Korea authorities constructed disinfection facilities for imported goods<sup>76</sup> and made some exceptions to reopen the borders. However, border restrictions were soon reintroduced (see annex 1).

117. Publicly available statistics, including those compiled by the trade partners of the Democratic People's Republic of Korea, represent only a part of the country's foreign trade and sometimes include erroneous data. Mistaken usage of country codes, in which the country code for the Democratic People's Republic of Korea (KP) is entered wrongly in the place of the country code for the Republic of Korea (KR), the actual trade partner, is frequently cited as a problem.<sup>77</sup> The Panel wrote to the International Organization for Standardization regarding this matter but has received no response.

118. On the basis of International Trade Centre records on national trade data, some of which appeared to fall into sanctioned categories, the Panel asked 69 Member States for information on transactions with the Democratic People's Republic of Korea, as well as details on any cases of rejection of clearance or seizure of goods exported to or imported from the Democratic People's Republic of Korea.

119. The Panel also sought information from customs authorities of Member States 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 (see annex 49 for the Panel's template of enquiry).

120. Many Member States indicated no recorded trade activity with the Democratic People's Republic of Korea in 2020 and 2021, while others stated that transactions had conformed with United Nations sanctions. Several Member States informed the Panel about the results of investigations of cases of possible non-compliance. See annex 50 containing comparison data which, in many cases, demonstrate discrepancies between international trade statistics and national data.

121. The Panel found that customs authorities of Member States observed the implementation of the prohibitions, although in several cases, they faced the challenge of determining whether certain items were prohibited from transfer to and/or from the Democratic People's Republic of Korea. For the list of restricted HS code commodities that the Panel uses to monitor the implementation of the sectoral ban, see annex 51.

122. In response to the Panel's enquiry, China replied as follows:

The main reason why the data of the International Trade Center (ITC) is different from China's official figure is that the ITC regards commodities produced in China and exported to a third-party and then transferred to the DPRK as Chinese export to the DPRK, and they adjust the trade accordingly. This is inconsistent with the facts and the ITC doesn't update and correct their data in a timely way.

China also stressed that there were no transactions involving banned items recorded in respect of the Democratic People's Republic of Korea.

123. At the request of the Panel, Thailand provided information on 12 export entries stating the Democratic People's Republic of Korea as the destination that had subsequently been withdrawn, with the goods returned. See annex 52. The attempted

<sup>76</sup> "North Korea turns airport into COVID-19 disinfection center to boost trade", *NK PRO (NK News)*, 16 April 2021. Available at <https://www.nknews.org/pro/north-korea-turns-airport-into-covid-19-disinfection-center-to-boost-trade/>.

<sup>77</sup> See S/2021/211, annex 41.

exports included several consignments of electrical goods (transformers, diodes) from prohibited HS code group 85, but also perfumery items, whose sanctionable status is sometimes difficult to determine.

124. Bulgaria informed the Panel of exports of nutritional additives (see annex 53).

125. Singapore reconfirmed the information on the seizure of a trans-shipment of wine and juices and its disposal by Customs in accordance with a court order (see annex 54).<sup>78</sup>

126. In correspondence with Uruguay, the Panel explained that the sectoral prohibition for transfers concerned not only “chemical, nuclear or biological material, as included in ... resolution 2270 (2016)”, as Uruguay had earlier supposed, but also other commodities listed in annex 51. The Panel is ready to provide advice on a case-by-case basis to assist Uruguayan customs authorities in making their own decisions on planned exports and imports involving the Democratic People’s Republic of Korea. The Panel stresses that the final decision is the prerogative of individual Member States, but again suggests that Member States use as guidance the full list of restricted HS code commodities (see annex 51).

127. Guatemala informed the Panel that in December 2020, the Customs Administration indicated that its Regulatory Department had made improvements to the Central American Single Customs Declaration (DUCA) platform by prohibiting the validation of DUCA-D and declarations containing the code KP (the Democratic People’s Republic of Korea). Furthermore, information was disseminated internally and externally, through news digests and *Aduana Moderna* (Modern Customs) bulletins, indicating that the code KP should not be used in declarations of imports (see annex 55).<sup>79</sup>

128. Guyana informed the Panel that the Guyana Revenue Authority was introducing a risk profile system in the Automated System for Customs Data Entry, Control and Management (ASYCUDA) World system sponsored by the United Nations Conference on Trade and Development (UNCTAD) to flag transactions (see annex 56).

129. 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.

130. The main goods exported illegally from the Democratic People’s Republic of Korea included coal, minerals, iron, sand and textiles. According to a Member State, in 2020, millions of metric tons of coal as well as possibly other sanctioned minerals were exported. By May 2021, the Democratic People’s Republic of Korea had exported at least 364,000 metric tons of coal (see para. 85).

131. The Panel reviewed several Chinese legal proceedings involving the illegal exports of coal, sand and zinc. Between 30 October and 3 November 2019, five Chinese citizens conspired to smuggle coal originating from the Democratic People’s Republic of Korea into China. Payments were made to Fuzhou Tenghuang Trade Co. Ltd. and the coal was transferred to vessels belonging to Nanjing Feixiong Ocean Shipping Company. A Chinese court<sup>80</sup> found the defendants guilty of smuggling, with each receiving prison sentences and fines.

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<sup>78</sup> Ibid., para. 117.

<sup>79</sup> The Panel is seeking clarification.

<sup>80</sup> See <https://wenshu.court.gov.cn/>.

132. Another court case concerned the vessel *Hao Fan 2*<sup>81</sup> illicitly smuggling coal originating from the Democratic People's Republic of Korea through the Russian Federation and then into China. The coal was allegedly sold by Hong Kong-based Champion Global Trading Limited to Chifeng Shenhua Material Trade Co. Ltd. Chinese court records indicated that several of the same co-conspirators had also facilitated ship-to-ship transfers of zinc powder originating from the Democratic People's Republic of Korea in June 2019 involving Unphung Joint Venture Company (a joint venture between the Democratic People's Republic of Korea-based Unphasan Trading Corporation and the China-based Liaoning Wellhope Agri-Tech Joint Stock Corporation).

### **Recommendations**

133. **The Panel recommends that the International Organization for Standardization look into possible measures to prevent erroneous usage of country codes for the Democratic People's Republic of Korea and the Republic of Korea (KP and KR respectively).**

134. **The Panel recommends that Member States streamline their export and import control lists, using as supportive material the Panel's informal list of prohibited commodities (see annex 51).**

135. **The Panel notes that Member States could study the possibility of using the ASYCUDA system developed by UNCTAD (a computerized customs management system, now used in more than 80 countries; see <https://asycuda.org/en/>) to monitor transactions with sanctioned jurisdictions.**

136. **The Panel recommends that the customs authorities of Member States use the above-mentioned resources for the information of and usage by the trading agents of their jurisdictions for due diligence purposes, particularly when dealing with prohibited commodities in relation to trade with sanctioned jurisdictions.**

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

### **Embargoes**

*Cases related to the documentary *The Mole: Undercover in North Korea**

137. The Panel continued to investigate some of the activities portrayed in the documentary film *The Mole: Undercover in North Korea*.<sup>82</sup> Uganda replied that the investigation by relevant government agencies was still ongoing; and Cambodia initially replied to the Panel's enquiry but has not responded to follow-up questions. China replied as follows:

The documentary mentioned in the letter is suspected to be made by illegitimate means, which has undermined the authenticity and credibility of relevant information, and it shall not be taken as a credible source of information for the Panel's investigation into suspected DPRK activities in violation of Security Council resolutions. The Panel should carry out its work in a fair, objective and impartial manner.

<sup>81</sup> Shen Zhong International Shipping (KPe.073) was designated on 30 March 2018 as the ship and commercial manager of the *Hao Fan 2*.

<sup>82</sup> See S/2021/211, para. 90 and annex 88.

*Myanmar*

138. The Panel repeated its earlier request for information concerning military cooperation between Myanmar and the Democratic People's Republic of Korea, including ballistic missile cooperation since October 2006, as well as evidence of the return of technicians from Myanmar and the Democratic People's Republic of Korea to their respective home countries.<sup>83</sup>

139. Myanmar replied as follows:

Myanmar Armed Forces remains committed to the non-proliferation and is actively implementing its international legal obligations regarding nuclear disarmament and non-proliferation of the weapons of mass destruction (WMDs) as well as disarmament of the weapons prohibited under International Humanitarian Law. Myanmar Armed Forces supports the total elimination of WMDs and is fulfilling its international obligations under the following International and regional Legal instruments with regard to the non-proliferation to which Myanmar is a party.

*United Arab Emirates*

140. The Panel's investigations into KOMID-related individuals continued. Mr. Ri Hyong Thae continues to travel internationally in connection with arms-related activity cooperation between a number of countries and the Democratic People's Republic of Korea and in the company of other individuals designated by the Security Council Committee established pursuant to resolution 1718 (2006). The Panel requested further information about Mr. Ri from the United Arab Emirates. It has yet to receive a reply.

**Misuse of embassy properties**

141. The Panel continued its investigation of the Democratic People's Republic of Korea Embassy property in Sofia and requested information from Bulgaria concerning reports showing that Bulgarian companies were still advertising the rental of the "Terra Residence", which appeared to be the former residence of the Ambassador (located at No. 6, Andrei Sakharov Street, Mladost Quarter 1, Sofia, 1784).<sup>84</sup> Bulgaria responded that in February 2017, the Embassy had been informed about the prohibition of the use of property owned by the Democratic People's Republic of Korea Embassy for any purpose other than diplomatic and consular activities and had been urged to cease any such activities immediately. The local companies "Terra Group" and "Technologica" were registered at the above-mentioned address and were strongly advised to terminate their rental agreements and to comply with the sanctions regime. According to Bulgarian authorities, no rental payments have since been made by these companies to the Democratic People's Republic of Korea Embassy (see annex 57).

**Implementation of luxury goods ban**

142. The import of consumer goods, including luxury goods (prohibited under paragraph 8 (a) (iii) of resolution 1718 (2006)), has virtually stopped due to the closure of the borders. Private business exchanges across the border became practically non-existent.

143. Nevertheless, media reports suggest that some imported goods and luxury supplies (including "car tires and parts, construction and interior design materials,

<sup>83</sup> See S/2019/171, para. 78, and S/2020/151, para.110.

<sup>84</sup> See S/2021/211, para.110.

supplies for Kim Jong Un’s family villa, luxury goods and other items”) for the elite were illicitly transported by ships to Democratic People’s Republic of Korea ports such as Nampo from a railway depot at the border, where they were stored in trains.<sup>85</sup>

#### *Luxury vehicles*

144. The Panel continued its investigation of the networks behind the supply to the Democratic People’s Republic of Korea of two S-class Mercedes luxury vehicles in 2018 from Italy. European Cars & More S.R.L had had an unknowing role in the 2018 onward transit sale of the cars. The company additionally informed the Panel that it had also previously sold in 2017 and 2018 three further Mercedes luxury vehicles – a Mercedes S600 Guard, a S650 Maybach and a S600 Pullman with Vehicle Identification Numbers WDD2221761A356488, WDD2229801A351655 and WDD2229761A333357 – to LS Logistica & Spedizioni S.R.L.C., which was the same company that had had a role in shipping the S-class vehicles in 2018. The Panel has not received a response from this company.

145. The Panel has approached Daimler about the latter three cars. Daimler has confirmed that the vehicles were produced by Daimler AG in Sindelfingen, Germany, at the request of an Italian customer. According to the Italian registration authority, the vehicles were registered in Italy until 2020, before being resold “within and outside Europe”; the location of the vehicles has yet to be established. The Panel continues its investigations, including with the Italian customs authorities.<sup>86</sup>

146. The Panel received information from a Member State that the Hong Kong-based company Yee Fat Motor Trading (H.K.) Ltd<sup>87</sup> had facilitated the shipment of a luxury automobile to the Democratic People’s Republic of Korea transported by *Ji Yuan* (IMO No. 9044140, also known as *Chang Long*) (see also paras. 68 and 73). The Member State also reported that in November 2019, the *Chang Long* (operating as the *Ji Yuan*) had transported two containers full of unspecified electronics to the Democratic People’s Republic of Korea. The Panel wrote to the relevant parties. China responded: “Preliminary investigation found no trade transactions between the Hong Kong SAR company namely ‘Yee Fat’ and the DPRK. Regarding the departing cargo carried by vessel *Ji Yuan*, China is conducting in-depth investigation and verification.” China further indicated: “The destination of parts of the cargo is the Republic of Korea, and the owner of the vessel is a company in the United Kingdom.” Yee Fat has yet to reply. The investigation continues.

147. The Panel continued its investigation of the transfer of Toyota Lexus vehicles to the Democratic People’s Republic of Korea. According to a Member State, Jiangsu Overseas Group Foreign Economic and Technical Cooperation, Ltd<sup>88</sup> was involved in an attempted shipment of luxury vehicles worth over \$1 million, including new 2020 Lexus LX570 SUVs, to the Democratic People’s Republic of Korea. A shipment of such vehicles reportedly arrived (allegedly from the United Arab Emirates) in Ningbo, in late September 2020, for onward delivery to the Democratic People’s Republic of Korea. These transactions were reportedly facilitated by representatives in China of the Korea United Development Bank of the Democratic People’s Republic of Korea (KPe.033), the Credit Development Bank and the Korea Kyongun Trading Corporation. The Panel has not received any response to its requests for information.

<sup>85</sup> “Cargo in freight train at Dandong Station transported into North Korea by boat”, *Daily NK*, 31 May 2021. Available at [www.dailynk.com/english/cargo-freight-train-dandong-station-transported-north-korea-boat/](http://www.dailynk.com/english/cargo-freight-train-dandong-station-transported-north-korea-boat/).

<sup>86</sup> See S/2021/211, paras. 113–114.

<sup>87</sup> 義發汽車(香港)有限公司, Address: 28 Kam Tin Road, Yuen Long District, Yuen Long District, New Territories, Hong Kong, China.

<sup>88</sup> Located at No. 55, Zhongshan-lu, Gulou-qu, Nanjing, Jiangsu Province, China.

*Other luxury goods*

148. The Panel assesses that shipments to the Democratic People's Republic of Korea of alcoholic beverages were practically non-existent from early 2020 and such beverages became unavailable on the internal market due to COVID-19-related restrictions.

149. According to the information available to the Panel from open sources,<sup>89</sup> the Band of the State Affairs Commission of the Democratic People's Republic of Korea recently started public use of what media sources believe to be a high-end grand piano, televised by official Democratic People's Republic of Korea television stations. The transfer of such luxury instruments to the Democratic People's Republic of Korea would contravene the obligation of Member States to implement relevant Security Council resolutions given that the Council, in paragraph 8 (a) (iii) of its resolution 1718 (2006), prohibited the direct or indirect supply, sale or transfer to the Democratic People's Republic of Korea of luxury goods (see annex 58). The Panel asked the putative manufacturer for product information.

**Recommendations**

150. **The Panel reiterates its recommendation that Member States streamline their export control lists to reflect the list of prohibited luxury goods in a manner consistent with the objectives of resolutions 1718 (2006), 1874 (2009), 2094 (2013), 2270 (2016) and 2321 (2016), 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.**

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

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

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

153. The Panel continued its investigation into cyberattacks conducted by Democratic People's Republic of Korea cyberthreat actors linked to the United Nations-designated Reconnaissance General Bureau.<sup>90</sup> According to multiple media reports and cybersecurity firms, Democratic People's Republic of Korea cyberactors conducted attacks against defence industries around the globe.

154. During the reporting period, media reported that the Lazarus Group, a cyberthreat actor linked to the Reconnaissance General Bureau of the Democratic People's Republic of Korea, conducted cyberattacks against two German defence companies by approaching employees of the companies with fake job offers.<sup>91</sup> Other media reports stated that the Lazarus Group and the Kimsuky Group, another cyberthreat actor closely linked to the Reconnaissance General Bureau, had

<sup>89</sup> "Kim Jong Un's new favorite band lives life of luxury in new music videos", *NK News*, 24 June 2021. Available at [www.nknews.org/2021/06/kim-jong-uns-new-favorite-band-lives-life-of-luxury-in-new-music-videos/](http://www.nknews.org/2021/06/kim-jong-uns-new-favorite-band-lives-life-of-luxury-in-new-music-videos/).

<sup>90</sup> 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.

<sup>91</sup> See [www.br.de/nachrichten/deutschland-welt/cyberspionage-gegen-deutsche-ruestungskonzerne,SJSdK2](http://www.br.de/nachrichten/deutschland-welt/cyberspionage-gegen-deutsche-ruestungskonzerne,SJSdK2) (in German).

conducted cyberattacks against Russian defence, energy and information technology sectors in 2020 – a cybercampaign called “ThreatNeedle”.<sup>92,93</sup> The Panel has made enquiries on these incidents.<sup>94</sup>

155. The Panel also continues to investigate the evasion by the Democratic People’s Republic of Korea of sanctions through cybermeans by illegally acquiring economic assets through the theft of intellectual property. According to reports from cybersecurity firms and media reports, persistent threat actors known to be associated with the Democratic People’s Republic of Korea conducted cyberattacks against pharmaceutical companies developing COVID-19 vaccines.<sup>95</sup> The Panel corroborated these activities with Member States and notes that the tactics, techniques and procedures of the attacks match previously reported cyberattacks carried out by Democratic People’s Republic of Korea actors such as Lazarus. One pharmaceutical company told the Panel that the potential impact of the threat was significant, but no evidence was found to indicate that the threat actor had been successful. The company implemented additional security measures to protect its information technology systems.

### Overseas workers

156. The Panel continued its investigations into overseas workers of the Democratic People’s Republic of Korea. A Member State reported to the Panel that Democratic People’s Republic of Korea nationals had remained in several countries and had continued to earn income in 2020 and 2021 in the fields of information technology, construction, electronics and agriculture, in direct contravention of paragraph 8 of resolution 2397 (2017). The Panel continues its investigations.

157. The Panel also obtained information from another Member State that in several South-east Asian countries, Democratic People’s Republic of Korea restaurants had been operating after the repatriation deadline in December 2019. The Panel is investigating.

158. The Panel previously reported<sup>96</sup> that three medical workers and three translators from the Democratic People’s Republic of Korea were working in the Province of Pichincha, Ecuador. Their contract was supposed to end in May 2020 (see annex 60). Ecuador informed the Panel that applicable measures had been taken to terminate the contracts of the workers and to repatriate the Democratic People’s Republic of Korea nationals. The Panel continues to monitor this case.

## V. Finance

159. Based on its own investigations, information provided by Member States and open-source reporting, the Panel assesses that there has been no appreciable decline in the access by the Democratic People’s Republic of Korea’s to global financial institutions. The Panel also notes that the country’s illicit financial operations continue to be concentrated in East and South-East Asia, where opaque corporate registry processes undermine the compliance and know-your-customer procedures of

<sup>92</sup> See [www.kommersant.ru/doc/4538451](http://www.kommersant.ru/doc/4538451) (in Russian); see also [www.kommersant.ru/doc/4426131](http://www.kommersant.ru/doc/4426131) (in Russian).

<sup>93</sup> See annex 59 for related excerpts from the report by Kaspersky.

<sup>94</sup> An affected Member State informed the Panel that an investigation was under way.

<sup>95</sup> “North Korea-linked hackers targeted J&J, Novavax in hunt for COVID research”, *Reuters*, 2 December 2020. Available at [www.reuters.com/article/us-health-coronavirus-north-korea-cyber/north-korea-linked-hackers-targeted-jj-novavax-in-hunt-for-covid-research-idUSKBN28C1UE](https://www.reuters.com/article/us-health-coronavirus-north-korea-cyber/north-korea-linked-hackers-targeted-jj-novavax-in-hunt-for-covid-research-idUSKBN28C1UE).

<sup>96</sup> See S/2020/840, para. 129.

financial institutions. Consequently, the Democratic People’s Republic of Korea continues to maintain and leverage networks of shell companies to facilitate sanctions evasion activities related to maritime sanctions, trade transactions, the importation of luxury goods, illicit labour and the laundering of virtual assets.

160. An ongoing Panel review of trade financing related to maritime sanctions evasion activities shows that the Democratic People’s Republic of Korea continues to target low-transparency jurisdictions for corporate registry services. Compliance failures by corporate service providers, especially with respect to identity management, significantly contribute to the country’s capacity to generate and hide its illicit activities. In several cases, the investigations by the Panel found that the beneficial owners of several shell companies were, in fact, proxy owners. In most cases, simple identity verification checks revealed that the purported beneficial owners had no ties to the maritime industry and, in some cases, were not aware that their identity had been used to register a shell company.

### **Alleged joint ventures in China**

161. According to open-source information and information provided by a Member State, the Democratic People’s Republic of Korea continues to form joint ventures with China-based companies.

162. In January 2021, the Panel began an investigation into Yongxiang International Trading Company Limited, which allegedly signed a contract referencing “strategic cooperation” with the Korea Computer Center<sup>97</sup> to supply point-of-sale systems, which are used to facilitate digital retail payment processing (see annex 61). China replied: “Any items that are prohibited to export to the DPRK will not be released by the Chinese customs even relevant contracts are signed.” (see annex 62 for the Panel’s enquiry to China and its reply) According to its website, Yongxiang International Trading Company Limited has held ties with the central bank of the Democratic People’s Republic of Korea since 2017. Investigations continue.

163. According to records obtained by the Panel, a Democratic People’s Republic of Korea-based company, Choseon Xinxing Information Technology Trade Association,<sup>98</sup> owns a 60 per cent share in a China-based company (see annex 63). According to information from a Member State, Choseon Xinxing Information Technology Trade Association is suspected to have links to the Munitions Industry Department (KPe.028). Investigations continue.<sup>99</sup>

### **Overseas banking representatives**

164. The Panel continues to investigate overseas Democratic People’s Republic of Korea bank representatives. In response to the ongoing investigations by the Panel,<sup>100</sup> a Member State relayed to the Panel that “dozens of DPRK bank representatives continue to operate around the world in 2020” and provided a non-exhaustive list that alleges that six Democratic People’s Republic of Korea bank representatives operate in the Russian Federation, 22 in China,<sup>101</sup> one in Indonesia and one in Singapore.<sup>102</sup> The Member State further noted that in several cases, a single individual may represent and conduct financial operations on behalf of multiple Democratic People’s

<sup>97</sup> According to information previously provided to the Panel by a Member State, the Korea Computer Center is subordinate to the Munitions Industry Department (designated KPe.028). For the Panel’s most recent reporting on the Korea Computer Center, see [S/2020/151](#), paras. 123–125.

<sup>98</sup> Company name in Chinese: 朝鲜新兴信息技术贸易会社.

<sup>99</sup> One expert objects to this paragraph because the content needs further corroboration.

<sup>100</sup> See [S/2021/211](#), paras. 140–141 and annex 72.

<sup>101</sup> Two experts object to the usage of unverified information.

<sup>102</sup> Mr. Li Hyun, who was convicted and sentenced in June 2020.

Republic of Korea banks simultaneously and that there is no information to indicate that the banks have been shut down. The Panel continues to investigate these claims regarding overseas banking representatives.

### Trade financing and maritime sanctions evasion

165. According to a recent report<sup>103</sup> and subsequent media articles, the Winson Group, which is headquartered in Singapore with extensive global operations and is engaged primarily in international wholesale oil trading and high-seas bunkering, is a key node in the illicit fuel procurement activities of the Democratic People's Republic of Korea. Based on the aforementioned report and prior investigations, the Panel initiated an enquiry into transactions related to the sale of gasoil and the subsequent ship-to-ship transfer between the then Nauru-flagged *Super Star* (IMO No. 9085388)<sup>104</sup> and the unknown-flagged *Diamond 8* (IMO No. 9132612)<sup>105</sup> on or around 1 May 2020 (UTC) and again on or around 14 June 2020 (UTC) in apparent violation of resolution 2397 (2017) and paragraph 18 of resolution 2375 (2017).

166. In April 2021, the Panel requested financial records and trade documentation regarding the activities of the Winson Group related to, inter alia, the *Super Star* and *Diamond 8*. The Panel also asked for clarification as to the due diligence processes and procedures of the Winson Group to mitigate sanctions evasion risks.<sup>106</sup> In its reply to the Panel, the Winson Group noted its commitment to sanctions compliance and provided a summary of its due diligence procedures, which the company put into place in 2018.<sup>107</sup>

167. In explaining the ship-to-ship transfers between the *Super Star* and *Diamond 8*,<sup>108</sup> the Winson Group stated that its wholesale customer, Sino Global Trade Co. Ltd (formerly Super Gold Holdings Inc., hereafter "Sino Global") time-chartered the *Super Star* from a Winson entity, Golden Shelter Limited. Sino Global then nominated the *Super Star* to take delivery of gasoil from Winson Oil (Wholesale) Pte Ltd, on a free-on-board basis.<sup>109</sup> Sino Global went on to sell portions of this gasoil to a company named "Zfullboto Co. Ltd", which nominated the *Diamond 8* to Sino Global to take delivery via ship-to-ship transfer with the *Super Star*.

168. Winson representatives also reported to the Panel that the Group had conducted due diligence screenings on Sino Global, finding that its sole shareholder and director was Mr. Chien Chih-wei (簡志瑋) and that the company was not listed on any

<sup>103</sup> See "Black Gold – Exposing North Korea's oil procurement networks", Royal United Services Institute, 22 March 2021; available at [www.rusi.org/explore-our-research/publications/special-resources/project-sandstone-special-report-black-gold-exposing-north-koreas-oil-procurement-networks](http://www.rusi.org/explore-our-research/publications/special-resources/project-sandstone-special-report-black-gold-exposing-north-koreas-oil-procurement-networks). See also "5 takeaways from investigating covert oil deliveries to North Korea," *New York Times*, 22 March 2021; available at [www.nytimes.com/2021/03/22/world/winson-north-korea-oil-tankers.html](http://www.nytimes.com/2021/03/22/world/winson-north-korea-oil-tankers.html).

<sup>104</sup> This vessel is currently broken up.

<sup>105</sup> The Panel has previously recommended the *Diamond 8* for designation and further notes that the vessel is the largest tanker to illicitly supply oil to the Democratic People's Republic of Korea. For the Panel's prior reporting on the *Diamond 8*, see S/2020/151, para. 21, S/2020/840, paras. 25–39, and S/2021/211, para. 49.

<sup>106</sup> The Panel previously wrote to the Winson Group in May 2018 to highlight the risks posed by the exploitation by the Democratic People's Republic of Korea of global oil supply chains, complicit foreign nationals, offshore company registries and the international banking system in the evasion of United Nations sanctions. The letter also provided due diligence guidance and "free-on-board" best practices.

<sup>107</sup> As part of its sanctions compliance policy, the Winson Group specifically notes that it conducts due diligence on prospective counterparties, includes sanctions clauses in its contracts and carries out appropriate risk management before entering into any contract.

<sup>108</sup> The Winson Group acknowledged the ship-to-ship transfer.

<sup>109</sup> Winson Oil (Wholesale) Pte Ltd is part of the Winson group of companies, located in Singapore.

designated entities lists.<sup>110</sup> The contracts for gasoil between Winson and Sino Global specifically note: “The product of this contract will not be sold to North Korea or any North Korean entity or any other sanctioned countries.” According to a senior Winson Group corporate officer, “Winson was not involved in the sale of cargoes from Sino Global to Zfullboto, and/or Zfullboto’s nomination of DIAMOND 8 to Sino Global” and an individual named “Ivy” was the operator for Zfullboto.<sup>111</sup>

169. However, information obtained by the Panel shows that Mr. Chien Chi-wei used the address No. 150 Cheng’ai Road, Fengshan District, Kaohsiung, Taiwan Province of China, to register Sino Global (see annex 64).<sup>112</sup> This is the same address used by a senior Winson Group employee for an IMO application for the vessel *An Ping* (IMO No. 7903366),<sup>113</sup> which listed the ship’s owner as Spring Gain International Limited.<sup>114</sup> The same employee also used a Winson Group email on the application, alongside a phone and fax number linked to Winson Shipping (Taiwan) Co., Ltd.<sup>115,116</sup>

170. A review of social media records (see annex 64) suggests that the aforementioned employee and Mr. Chien are closely related. Furthermore, social media records obtained by the Panel show that Mr. Chien maintains close relationships with several individuals who occupy senior positions at Winson Shipping (Taiwan) Co., Ltd., Jiu Li Shuen Trading and Taishun Trading. Given these substantive links, the Panel is continuing to investigate the Winson Group and its subsidiaries, as well as the owners and operators of Zfullboto.

<sup>110</sup> The Panel was unable to identify any online profile, contact information or other information to suggest the company’s involvement in the oil industry. These are red-flag indicators of a shell company that the Panel has previously reported.

<sup>111</sup> Zfullboto Co. Ltd (中盛博通有限公司), which was incorporated in January 2019, has no online footprint and lists a Chinese national named Chen Jieyue (陳節約), with a residential address in Shishi City, Fujian Province, China.

<sup>112</sup> Court records in Taiwan Province of China indicate that Chien Chih-wei, at some point, resided at this same address. The same court records also indicate that Mr. Chien uses the alias Chien Ko-yeh (簡科擘). Corporate records indicate that an individual that the Panel believes to be Mr Chien also operated a company from this address called Fengxin Enterprise (鋒馨企業社). Furthermore, Mr. Chien was listed as the supervisor for Taishun Trading – an oil sales company located one floor below Winson Shipping (Taiwan) Co., Ltd and Jiu Li Shuen Trading (a Winson organization) – from 3 September 2018 to 11 February 2019.

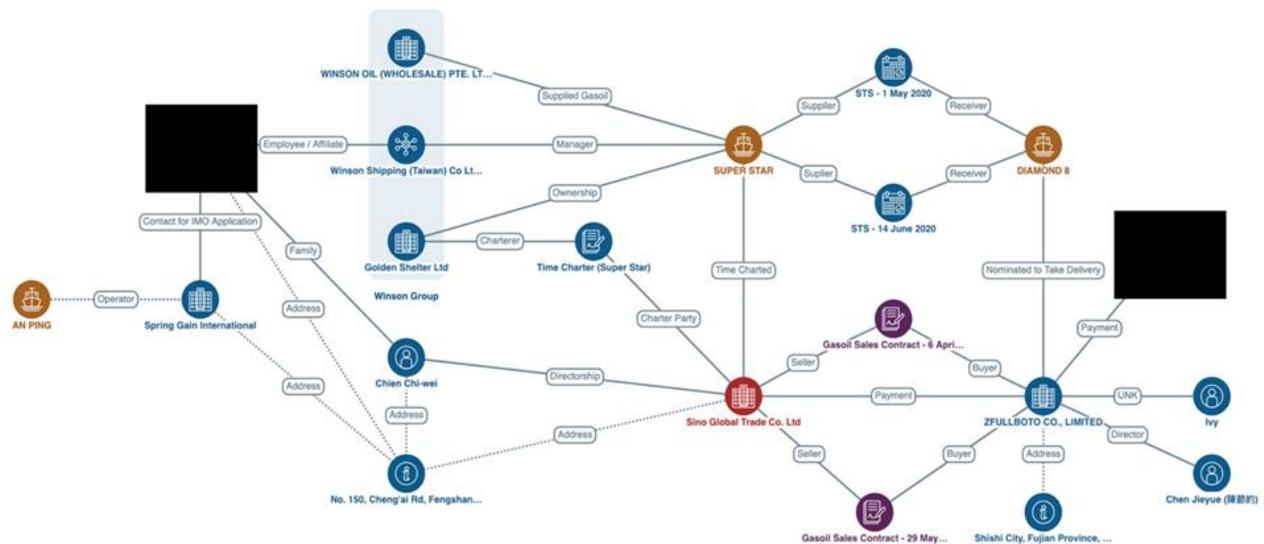
<sup>113</sup> The *An Ping* delivered oil to Nampo on two occasions in 2020.

<sup>114</sup> For prior Panel reporting on the *An Ping*, see S/2021/211, para. 46 (a) and annex 25. Spring Gain International continues to list the Winson Shipping (Taiwan) Co., Ltd phone and fax number in commercial databases as its contact details.

<sup>115</sup> Now known as Zheng Yu Shipping Co., Ltd (正毓船舶股份有限公司).

<sup>116</sup> One expert expressed the view that after the company name, there is a need to insert “located in Taiwan Province of China”.

Figure XVII  
Network behind the ship-to-ship transfer between *Super Star* and *Diamond 8*



Source: The Panel.

### Virtual assets and virtual asset service providers

171. According to information provided by Member States, as well as open-source information, the Panel assesses that the Democratic People’s Republic of Korea continues to conduct spear-phishing campaigns against the cryptocurrency industry. These phishing campaigns make heavy use of social media platforms to identify potential targets as well as make initial contact. One Member State relayed to the Panel that the cyberactors typically use targeting methods including the use of email mass marketing platforms to send and track phishing messages; the use of relevant links to news articles or attachments (non-malicious) to initiate contact; sharing malicious files via popular cloud-based file-sharing platforms; and cold-calling support personnel at cryptocurrency exchange houses.

### Recommendations

172. The Panel notes the October 2020 revision by the Financial Action Task Force of Recommendation 1 and its Interpretive Note (R.1 and INR.1) to require countries and private sector entities to “identify, assess, understand and mitigate their proliferation financing risks (PF risk)” related to “the potential breach, non-implementation or evasion of the targeted financial sanctions”. Pursuant to this requirement, the Panel recommends that all Member States and private sector entities review the recently published Financial Action Task Force *Guidance on Proliferation Financing Risk Assessment and Mitigation*.<sup>117</sup>

<sup>117</sup> Available at <https://www.fatf-gafi.org/media/fatf/documents/reports/Guidance-Proliferation-Financing-Risk-Assessment-Mitigation.pdf>.

## VI. Unintended impact of sanctions

173. 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 were not prohibited by Council resolutions and also stressed that it was the country's primary responsibility and need to fully provide for the livelihood needs of its people.

174. United Nations agencies, Member States and non-governmental organizations continue to characterize the humanitarian situation in the Democratic People's Republic of Korea as deteriorating. In April 2021, Kim Jong Un underscored the severity of the country's economic situation, noting that "the people's food situation is now getting tense as the agricultural sector failed to fulfil its grain production plan due to the damage by typhoon last year",<sup>118</sup> and the situation was officially described as a "food crisis",<sup>119</sup> which official data support.<sup>120</sup> This admission coincided with an unusual price volatility for many consumer commodities, food shortages, a drop in access to goods and services, panic buying and a further decrease in the availability of medical supplies and services. The Panel attributes the following as factors contributing to the deteriorating humanitarian situation in the Democratic People's Republic of Korea:

(a) Measures related to the prevention of COVID-19, including border closures since January 2020 and the virtual cessation of consumer imports, declines in export earnings and strict limits on the ability to purchase food and other essential goods;

(b) Continuing restrictions related to United Nations sanctions: In its previous reports, the Panel assessed that these restrictions, such as limitations on the importation of fuel, machinery and spare parts, had unintended effects on energy security, civil transport, agriculture, health care, sanitation and hygiene. Although the Panel is unable to make a quantitative assessment of this impact and further notes that its relative impact has probably decreased due to the country's border closures, travel limitations and import restrictions, the Panel does assess that in the reporting period, sanctions likely have had some unintended effects and would continue to have negative humanitarian consequences after the borders are opened;<sup>121</sup>

(c) Attempts to increase centralized control over the economy and further limitations on market activity (for example, restricting domestic sales of consumer

<sup>118</sup> Remarks made by Kim Jong Un during the Workers' Party Central Committee plenum in June, which is traditionally a period when the depletion of food stocks is at its lowest. See "Kim Jong Un admits food security issues as party plenum event kicks off", *NK News*, 19 August 2021, available at [www.nknews.org/2021/06/party-plenum-event-kicks-off-kim-jong-un-admits-food-security-issues](http://www.nknews.org/2021/06/party-plenum-event-kicks-off-kim-jong-un-admits-food-security-issues).

<sup>119</sup> "North Korea admits 'food crisis,' says grain to be distributed to population", *NK News*, 20 June 2021. Available at [www.nknews.org/2021/06/north-korea-admits-food-crisis-says-grain-to-be-distributed-to-population/](http://www.nknews.org/2021/06/north-korea-admits-food-crisis-says-grain-to-be-distributed-to-population/).

<sup>120</sup> According to the information officially provided by the Democratic People's Republic of Korea, "the production in 2018 was about 4.95 million tons, the lowest during the last 10 years", and experts estimate a food shortage of around 1.3 million tons in 2021. See also "N. Korea says its food production down to 10-year low in 2018", *The Korea Herald*, 14 July 2021. Available at <http://www01.koreaherald.com/view.php?ud=20210714000330>.

<sup>121</sup> Two experts are of the view that there can be little doubt that United Nations sanctions have had unintended effects on the humanitarian situation. Another expert notes that there is no evidence to support the assessment that sanctions have had an effect on the humanitarian situation in the Democratic People's Republic of Korea.

goods other than food), resulting in the loss of stimulus for individuals' economic activities.

175. The Panel continued to assess the impact of the COVID-19 pandemic and sanctions on humanitarian operations within the Democratic People's Republic of Korea. In May 2021, the Panel surveyed 38 United Nations organizations and non-governmental organizations that applied for exemptions to the Security Council Committee established pursuant to resolution 1718 (2006), either directly or indirectly<sup>122</sup> (see annexes 65 (1) to 65 (3) for a summary of responses).

176. Responding organizations noted little or no improvement in their ability to conduct humanitarian aid operations since the border closures in January 2020.<sup>123</sup> Most organizations no longer have in-country personnel and lack access to information, making independent monitoring impossible. Continued restrictions on movement for the few remaining personnel have weakened relationships with local officials. This decreased transparency makes it increasingly difficult to seek new funding. Organizations are struggling to maintain overhead costs in the absence of ongoing projects.

177. With respect to sanctions' impact on humanitarian aid, the main areas of concern for the organizations are delays in receiving exemptions; the absence of a stable banking channel, which ultimately increases administrative costs and risks; delays in customs clearance; a decrease in the willingness of foreign suppliers; increased costs of humanitarian-related items and operations; de-risking by financial institutions; and diminished funding for operations. One organization noted: "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." Complicated customs procedures create significant delays, despite the imports having received the proper exemptions. Suppliers to aid groups have stopped submitting offers, specifically noting the challenge with customs authorities.<sup>124</sup> According to another organization, the "secondary boycott" measures have prevented bank transactions for payments for humanitarian supplies purchases and vessels to enter ports in the Democratic People's Republic of Korea and, as a result, Democratic People's Republic of Korea counterparts have given up on humanitarian projects for the country. Shipping and logistical delays have also been attributed to both sanctions compliance and customs enforcement.

178. The Panel recognizes the importance of humanitarian aid as the country recovers from the pandemic and underscores the need for Member States to ensure that humanitarian aid to the country proceeds unhindered, consistent with the relevant resolutions. The exemption process, which has improved considerably since the start of pandemic, should be further streamlined and made more transparent and understandable.

### **Recommendations**

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

<sup>122</sup> See S/2021/211, paras. 173–174 and annex 99 (a) for a summary of previous survey responses.

<sup>123</sup> According to one organization, measures imposed by the Democratic People's Republic of Korea have resulted in a shortage of domestic production, ultimately affecting the civilian population.

<sup>124</sup> Since 2018, the price of goods for humanitarian projects has increased, sometimes by as much as 25 per cent, ultimately putting pressure on the operating budgets of aid organizations.

180. The Panel reiterates the need for urgent measures to re-establish the banking channel.

181. 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.

## **VII. National implementation reports**

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

182. By 31 July 2021, 66 Member States had submitted reports on their implementation of resolution [2397 \(2017\)](#); 81 Member States on resolution [2375 \(2017\)](#); 95 Member States on resolution [2371 \(2017\)](#); 90 Member States on resolution [2321 \(2016\)](#); and 107 Member States on resolution [2270 \(2016\)](#). Despite the increase in overall reporting, the Panel notes that the number of non-reporting States (127, one of which served as a non-permanent member of the Security Council in 2019) for resolution [2397 \(2017\)](#) remains significant.

183. Separately, the overall response rate by Member States to the Panel's enquiries about its investigations is less than 50 per cent, and the response rate of entities and individuals is even lower. The Panel notes that Member States, entities and individuals should abide by the relevant Security Council resolutions and respond to the Panel's enquiries in a timely manner.

## **VIII. Recommendations**

184. For a consolidated list of recommendations, see annex 66.

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

DPRK maintained its COVID-19 blockade imposed in January 2020. Cross-border movement of people and trade remains generally forbidden. Flights and passenger rail services into and out of Pyongyang have been suspended, although there have been media reports of limited border crossing in the reporting period. The diplomatic presence in Pyongyang has continued to shrink as the few remaining missions have repatriated staff; international staff of UN agencies and non-governmental organizations have left the country. DPRK continues to declare to the WHO that the country remains free of the COVID-19 virus.

In the reporting period, DPRK made a number of preparations, in the form of “disinfection centres” built near the border, to resume a measure of cross-border trade in March-April 2021, and there was a small rise in trade figures at the time. The respite from a total blockade was brief, however, due to resumed fears of COVID-19 variants beyond DPRK’s borders and, according to media reports,<sup>1</sup> a “grave incident” relating to COVID-19 protection measures in the country.

Maritime exports of sanctioned commodities continued, at relatively low rates. Similarly, undeclared oil products were imported by sea, but at very low levels compared to previous years.

The DPRK government has held emergency meetings and, unusually, has publicly admitted to an increasing economic crisis and associated food shortages in the country.

DPRK’s COVID-19 blockade, which prevents repatriated DPRK nationals from entering their own country, causes practical difficulties for Member States in implementing paragraph 8 of resolution 2397 (2017), even long after the deadline for that action has passed. However, DPRK’s blockade also provides an opportunity for DPRK workers overseas to remain there, and to continue to earn wages which are likely to contribute to governmental programmes. The Panel continues to watch closely how Member States have addressed this issue.

*Source:* The Panel

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<sup>1</sup> <https://www.nknews.org/2021/06/grave-covid-19-incident-in-north-korea-prompts-politburo-meeting-state-media/?t=1634861200262>

**Annex 2: Light Water Reactor (LWR) - Electrical transformers on the eastern side of the turbine generator**



Source: Planet Labs Inc. 23 June 2021

**Annex 3: Construction activities in the area south of the LWR**



Source: Planet Labs Inc. 23 June 2021

**Annex 4: Vehicle activities in the vicinity of 5MW(e)**



*Source:* Planet Labs Inc. 18 April 2021



*Source:* Planet Labs Inc. 23 June 2021

**Annex 5: Radiochemical Laboratory and Coal-fired thermal plant, and signs of chimney smoke**



8 March, 2021



18 April, 2021



25 April, 2021



1 May, 2021



6 June, 2021



23 June, 2021

Source: Planet Labs Inc.

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## Annex 6: Excerpt of IAEA Director General's Introductory Statement to the Board of Governors

The Agency continues to monitor the nuclear programme of the Democratic People's Republic of Korea. Since my report to the Board of 3rd of September 2020, some nuclear facilities in the DPRK have continued to operate while others have remained shut down. There are indications consistent with internal construction activities at the experimental light water reactor (LWR). There are no indications of operation at the 5MW(e) nuclear reactor or of the production of enriched uranium at the reported centrifuge enrichment facility at Yongbyon. There are ongoing indications of activity at the Kangson location.

The steam plant that serves the Radiochemical Laboratory has continued to operate since my last Statement to the Board in March. The duration of this operation is consistent with the time required for a reprocessing campaign at the Radiochemical Laboratory. It is not, however, possible to confirm that reprocessing is taking place.

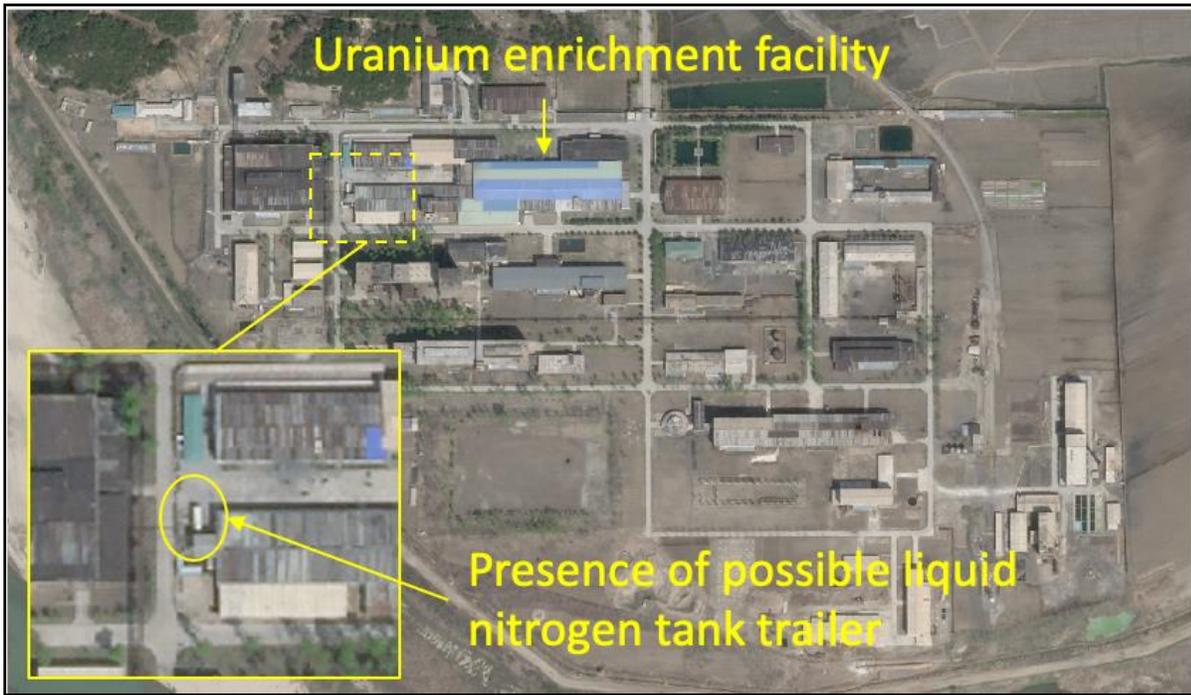
The DPRK's nuclear activities remain a cause for serious concern. The continuation of the DPRK's nuclear programme is a clear violation of relevant UN Security Council resolutions and is deeply regrettable.

I call upon the DPRK to comply fully with its obligations under 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 is intensifying its 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 (7 June 2021), <https://www.iaea.org/iaea-director-generals-introductory-statement-to-the-board-of-governors-7-june-2021>**Error! Hyperlink reference not valid.** (Accessed on 11 July 2021)

**Annex 7: Yongbyon Centrifuge Plant**

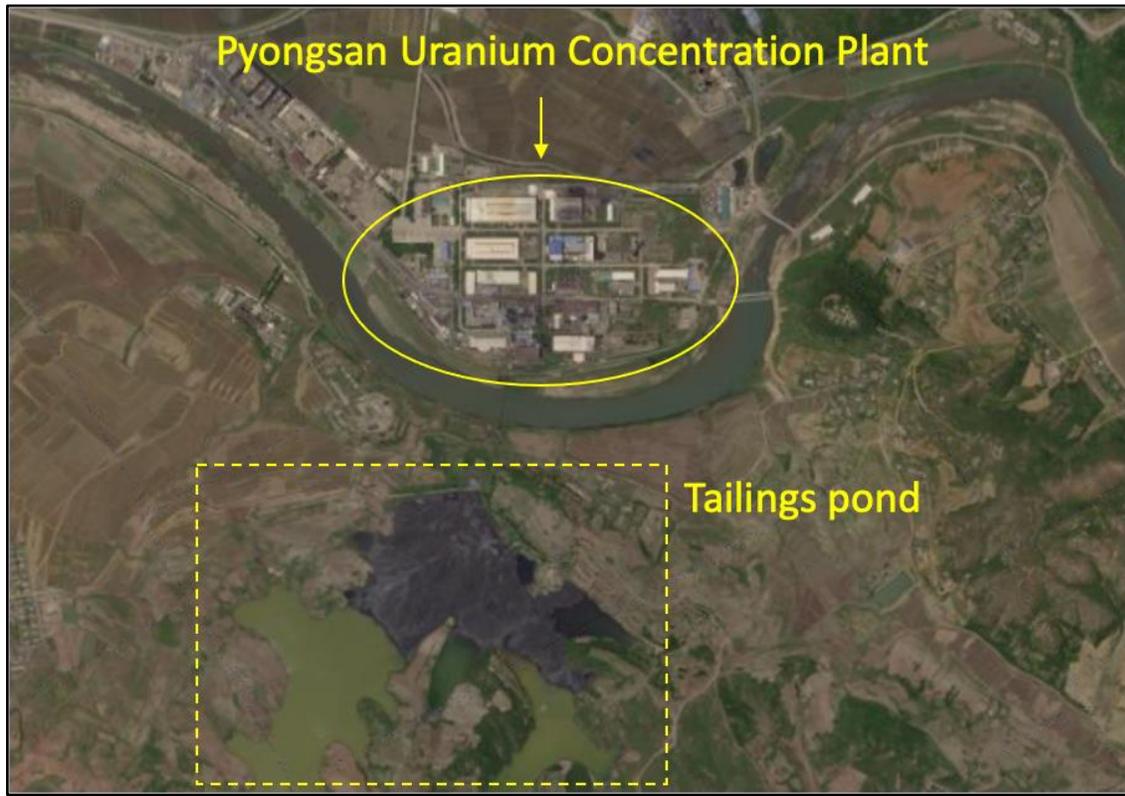


Source: Planet Labs Inc. 18 April 2021



Source: Planet Labs Inc. 23 June 2021

**Annex 8: Pyongsan Uranium Mine and Concentration Plant**



Source: Planet Labs Inc. 13 June, 2021



Source: Planet Labs Inc. March 10, 2021

Source: Planet Labs Inc. June 13, 2021

## Annex 9: Pyongsan Uranium Mine and Concentration Plant



Source: Planet Labs Inc. 5 April, 2021



Source: Planet Labs Inc./ From top to bottom, 20 April 2021, 19 May 2021, 17 July 2021

**Annex 10: Suspected uranium enrichment facility in Kangson**



*Source:* Planet Labs Inc. 5 April, 2021

**Annex 11: Suspected nuclear weapons storage facility in Yongdoktong**



Source: Google Earth: January 2021



Source: Google Earth: January 2019

## Annex 12: Panel's enquiry to the universities listed on Kim Chaek University of Technology website

### United Nations Nations Unies

HEADQUARTERS • SIEGE NEW YORK, NY 10017  
TEL.: +1 212 963 1055 • FAX: +1 212 963 2013

UNITED NATIONS SECURITY COUNCIL PANEL OF EXPERTS ESTABLISHED  
PURSUANT TO RESOLUTION 1874 (2009)

REFERENCE: [REDACTED]  
YOUR REFERENCE

3 June 2021

Dear Sir/Madam,

I am writing 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) and 2356 (2017), 2371 (2017), 2375 (2017) and 2397 (2017), in particular incidents of non-compliance.

The Panel would like to request information on academic exchanges between [REDACTED] and the DPRK's Kim Chaek University of Technology (KCUT). The KCUT website, as of 28 May 2021, lists [REDACTED] as having "international friendship cooperation" status with KCUT (Annex 1).

The Panel is making enquiries concerning scientific and technical partnerships with DPRK scientists in academic fields covered by the relevant provisions of United Nations Security Council Resolutions (below). The Panel seeks information to assess whether these partnerships have involved joint studies which may have contributed, or continue to contribute, to the development by the DPRK of technologies related to its WMD programme.

Paragraph 17 of resolution 2270 (2016), reinforcing paragraph 28 of resolution 1874 (2009) which called for Member State vigilance, states that "all Member States shall prevent specialized teaching or training of DPRK nationals within their territories or by their nationals of disciplines which could contribute to the DPRK's proliferation sensitive nuclear activities or the development of nuclear weapon delivery systems, including teaching or training in advanced physics, advanced computer simulation and related computer sciences, geospatial navigation, nuclear engineering, aerospace engineering, aeronautical engineering and related disciplines". Furthermore, paragraph 10 of resolution 2321 (2016) clarifies that for the purposes of implementing paragraph 17 of

[REDACTED]

CC: Permanent Mission of China to the United Nations

resolution 2270 (2016) specialized teaching and training which could contribute to the DPRK's proliferation sensitive nuclear activities or the development of nuclear weapons delivery systems includes, but is not limited to, advanced materials science, advanced chemical engineering, advanced mechanical engineering, advanced electrical engineering and advanced industrial engineering.

Moreover, in paragraph 11 of resolution 2321 (2016) the Security Council decided that all Member States shall suspend scientific and technical cooperation involving persons or groups officially sponsored by or representing the DPRK except for medical exchanges unless in specified cases exempted by the 1718 Committee or in all other cases notified in advance to the Committee.

Furthermore, the Panel has concerns that if DPRK scholars have access to the internet, libraries, and exchanges with other scholars, they may use this access to collect proliferation sensitive information which could contribute to the DPRK's WMD and ballistic missile development or the enhancement of its military operational capability. The Panel also has concerns that networks developed during overseas exchange programs may be used to facilitate the transfer of intangible technology applicable to the DPRK's WMD programme.

In addition, paragraph 8 of resolution 2397 (2017) requires all Member States to repatriate to the DPRK all DPRK nationals earning income in their jurisdiction and all DPRK government safety oversight attachés within 24 months from 22 December 2017 and to submit midterm and final reports on repatriation. The Panel notes that paragraph 8 of resolution 2397 (2017) covers all DPRK citizens who are earning income, regardless of work authorization, visa category, and how the payment is labelled.

In connection with the above, and in its effort to gather reliable and verifiable information, the Panel would be grateful for your assistance in providing the following:

1. Information on the current status of [REDACTED] academic exchange with Kim Chaek University of Technology.
2. The total number of DPRK students who have studied at [REDACTED] since 2017, as well as the number of current DPRK students. Please specify their degree programs (whether Masters, PhD, post-doctorate researchers, etc.), fields of study and subject of their scientific collaborations, if applicable. Please provide information on any scholarships or sponsorship they have received / are receiving.
3. Confirmation if any DPRK scholars have been affiliated with [REDACTED] since 2017. If so, please provide the Panel with the following information:
  - 3-1) A list of the DPRK scholars (name, affiliation, area of research, period of affiliation) as well as copies of documents showing their source(s) of income while in China including sponsorships (if applicable);
  - 3-2) Information on whether any financial support, such as scholarships, for the DPRK scholars are provided by [REDACTED]; and

3-3) Information regarding any non-financial resources provided by [REDACTED] including the use of facilities and access to databases and IT.

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 this issue.

Given the importance the Panel attaches to this investigation, we would be grateful for any information to be supplied within six weeks of the date of this letter. As the Panel intends to report on these matters in its next report to the Security Council, we would be grateful to receive a timely response to ensure that your reply can be taken into consideration. Please send the reply to the Panel at [dppa-poe1874@un.org](mailto:dppa-poe1874@un.org).

Should you or your designated representative wish to discuss this request or any follow-up matters, please contact the Panel through Mr. [REDACTED] and Mr. [REDACTED].

Yours Faithfully,

[REDACTED]  
Coordinator of the Panel of Experts established  
pursuant to Security Council Resolution 1874 (2009)

Annex 1: Website of Kim Chaek University of Technology

Source : The Panel

**Annex 13: Table summarizing specific scientific collaboration projects between institutes in the Democratic People's Republic of Korea and Universities in China**

DPRK Institutes	Chinese Universities	Year	Journal or Subject	Title and web reference	Authors
Pyongyang University of Mechanical Engineering	[REDACTED]	2019	Composites Part B: Engineering Volume 159, 15 February 2019, Pages 418-436	Three-dimensional exact solution for the free vibration of thick functionally graded annular sector plates with arbitrary boundary conditions  <a href="https://www.sciencedirect.com/science/article/abs/pii/S1359836818329238">https://www.sciencedirect.com/science/article/abs/pii/S1359836818329238</a>	[REDACTED];  <b>Choe, Kwangnam</b> - Pyongyang Univ Mech Eng, Dept Light Ind Machinery Engn, Pyongyang 999093, DPRK;
Institute of Information Technology, University of Sciences, Pyongyang	[REDACTED]	2019	Composite Structures Volume 209, 1 February 2019, Pages 277-299	A general vibration analysis of functionally graded porous structure elements of revolution with general elastic restraints  <a href="https://www.sciencedirect.com/science/article/abs/pii/S0263822318326035">https://www.sciencedirect.com/science/article/abs/pii/S0263822318326035</a>	[REDACTED];  <b>Sok, Kyongjin</b> - Univ Sci, Inst Informat Technol, Pyongyang, DPRK;

DPRK Institutes	Chinese Universities	Year	Journal or Subject	Title and web reference	Authors
Pyongyang University of Mechanical Engineering; Chongjin Mine & Met Univ		2019	Composite Structures Volume 208, 15 January 2019, Pages 127-140	A modeling method for vibration analysis of cracked laminated composite beam of uniform rectangular cross-section with arbitrary boundary condition  <a href="https://www.sciencedirect.com/science/article/abs/pii/S0263822318325017">https://www.sciencedirect.com/science/article/abs/pii/S0263822318325017</a>	<b>Kim, Kwanghun</b> - Pyongyang Univ Mech Eng, Dept Eng Machine, Pyongyang 999093, DPRK;  <b>Choe, Kwangnam</b> - Pyongyang Univ Mech Eng, Dept Light Ind Machinery Eng, Pyongyang 999093, DPRK;  <b>Kim, Sok</b> - Chongjin Mine & Met Univ, Dept Informat Eng, Chongjin 999091, DPRK;
Pyongyang University of Mechanical Engineering		2019	Composite Structures Volume 225, 1 October 2019, 111155	Dynamic analysis of composite laminated doubly-curved revolution shell based on higher order shear deformation theory  <a href="https://www.sciencedirect.com/science/article/abs/pii/S0263822319306919">https://www.sciencedirect.com/science/article/abs/pii/S0263822319306919</a>	<b>Choe, Kwangnam</b> - Pyongyang Univ Mech Eng, Dept Light Ind Machinery Eng, Pyongyang 999093, DPRK;  <b>Kim, Kwanghun B.</b> - Pyongyang Univ Mech Eng, Dept Eng Machine, Pyongyang 999093, DPRK;
Kim Chaek University of Technology		2019	Composite Structures Volume 224, 15 September 2019, 111040	The effects of coupling mechanisms on the dynamic analysis of composite shaft  <a href="https://www.sciencedirect.com/science/article/abs/pii/S0263822318331763">https://www.sciencedirect.com/science/article/abs/pii/S0263822318331763</a>	<b>Ri, Kwangchol; Choe, Kwangnam</b> - Pyongyang Univ Mech Eng, Dept Light Ind Machinery Eng, Pyongyang 999093, DPRK;  <b>Han, Poknam</b> - Kim Chaek Univ Technol, Coll Ship & Ocean Technol, Pyongyang 999093, DPRK;

DPRK Institutes	Chinese Universities	Year	Journal or Subject	Title and web reference	Authors
Pyongyang University of Mechanical Engineering		2019	Composites Part B: Engineering Volume 158, 1 February 2019, Pages 55-66	Free vibration analysis of laminated composite elliptic cylinders with general boundary conditions  <a href="https://www.sciencedirect.com/science/article/abs/pii/S1359836818325332">https://www.sciencedirect.com/science/article/abs/pii/S1359836818325332</a>	  <b>Choe, Kwangnam</b> - Pyongyang Univ Mech Eng, Dept Light Ind Machinery Eng, Pyongyang 999093, DPRK.
Kim Il Sung University		2019	Chemical Engineering Science Volume 207, 2 November 2019, Pages 1017-1029	Optimization of thermo-mechanical properties of shape memory polymer composites based on a network model  <a href="https://www.sciencedirect.com/science/article/pii/S0009250919305846">https://www.sciencedirect.com/science/article/pii/S0009250919305846</a>	  <b>Yun, Kumchol</b> - Kim Il Sung Univ, Fac Mech, Pyongyang, DPRK

DPRK Institutes	Chinese Universities	Year	Journal or Subject	Title and web reference	Authors
Kim Il Sung University	[REDACTED]	2019	Materials & Design Volume 181, 5 November 2019, 107926	Investigation of thermodynamic and shape memory properties of alumina nanoparticle-loaded graphene oxide (GO) reinforced nanocomposites  <a href="https://www.sciencedirect.com/science/article/pii/S0264127519303648">https://www.sciencedirect.com/science/article/pii/S0264127519303648</a>	[REDACTED] <b>Yun, Kumchol;</b> [REDACTED]  <b>Yun, Kumchol</b> - Kim Il Sung Univ, Fac Mech, Pyongyang 950003, DPRK
Pyongyang University of Mechanical Engineering	[REDACTED]	2019	Composites Part B: Engineering Volume 159, 15 February 2019, Pages 447-460	A closed form solution for free vibration of orthotropic circular cylindrical shells with general boundary conditions  <a href="https://www.sciencedirect.com/science/article/abs/pii/S135983681832924X">https://www.sciencedirect.com/science/article/abs/pii/S135983681832924X</a>	[REDACTED]  <b>Choe, Kwangnam</b> , Pyongyang Univ Mech Eng, Dept Light Ind Machinery Eng, Pyongyang 999093, DPRK;  [REDACTED]

Source : The Panel

## **Annex 14: Reply from China to the Panel**

### **8. University exchange (OC.162, OC.167-174)**

The establishment of friendship with the universities in the DPRK is not prohibited by the Security Council resolutions. The friendly relationship like “sister college” between Chinese and the DPRK universities is not only out of the traditional friendship, but also meets the needs of the people to carry out exchanges and cooperation in culture and education.

China has always been strictly implementing the relevant provisions of the Security Council resolutions and maintaining strict regulation over academic exchanges. There is no prohibited academic exchanges, scientific research cooperation or joint studies between Chinese universities with the DPRK. China hopes that the Panel will work on the basis of the resolutions and the facts, and refrain from expanding the interpretation of the resolutions.

In addition, when investigating relevant cases, the Panel should engage with the Chinese side through the channel of the Chinese Mission to the United Nations, instead of directly sending letters to Chinese universities. China requests that the Panel, as a professional body, does not include the universities in its report to avoid sending any wrong signals.

*Source* : The Panel

## Annex 15: Replies from “Sister University” of Kim Il Sung University

### 1) Reply from Cuba

[Translation from Spanish]

2102605E.docx

1

*Translated from Spanish*

Permanent Mission of Cuba to the United Nations

Note No. 85/2021

New York, 24 February 2021

Sir,

Pursuant to the request for information from the Panel of Experts established pursuant to Security Council resolution 1874 (2009) contained in note No. S/AC.49/2021/PE/OC.15, I have the honour to convey the following information:

A framework cooperation agreement on academic and scientific exchange was signed between Kim Il Sung University in the Democratic People’s Republic of Korea and the University of Havana on 18 July 2014, and remains in effect until 2024. The agreement is fully in line with the relevant Security Council resolutions.

Since the signing of the agreement, no activities have been undertaken between the two universities.

There are no students from the Democratic People’s Republic of Korea on the Registry of Graduates of the University of Havana for the period 2017–2020.

Unrelated to the agreement signed by the two institutions, four nationals of the Democratic People’s Republic of Korea are currently enrolled in undergraduate studies at the University of Havana. They are studying for bachelor’s degrees in law, social communication, English language and tourism, and are relatives of diplomats of the Democratic People’s Republic of Korea accredited in Cuba.

  
Coordinator of the Panel of Experts established

pursuant to Security Council resolution 1874 (2009)

---

Cuba is firmly committed to fulfilling its obligations under the Charter of the United Nations and international law and thus strictly complies with Security Council resolutions.

Accept, Sir, the assurances of my highest consideration.

*(Signed)* Pedro Luis **Pedroso Cuesta**

Ambassador

Permanent Representative

*Source* : The Panel

(Original)



REPUBLICA DE CUBA  
Misión Permanente ante las Naciones Unidas  
315 Lexington Avenue, New York, N.Y. 10016

**Nota No.85/2021**

Nueva York, 24 de Febrero 2021

Estimado [REDACTED]

Atendiendo a la solicitud de información contenida en la nota S/AC.49/2021/PE/OC.15, del Panel de Expertos establecido en virtud de la resolución 1874 (2009) del Consejo de Seguridad de las Naciones Unidas, tenemos a bien trasladar la información siguiente:

La Universidad Kim Il Sung de la República Popular Democrática de Corea y la Universidad de La Habana firmaron un Convenio Marco de Colaboración para el Intercambio Académico y Científico, el 18 de julio de 2014, con vigencia hasta el 2024. Dicho Convenio está en plena correspondencia con las resoluciones pertinentes del Consejo de Seguridad.

Se informa, además, que desde la firma del Convenio Marco de Colaboración para el Intercambio Académico y Científico no se han desarrollado acciones entre ambas Universidades.

En el Registro Histórico de Estudiantes egresados de La Universidad de La Habana, en el período 2017-2020, no figuran estudiantes de la RPDC.

Sr. [REDACTED]  
Coordinador del Panel de Expertos establecido  
en virtud de la resolución 1874 (2009) del Consejo de Seguridad

En la actualidad, no vinculado al citado Convenio firmado entre ambas instituciones, están matriculados en estudios de pregrado en la Universidad de La Habana cuatro (4) estudiantes nacionales de la RPDC, en las carreras de Licenciatura en Derecho, Comunicación Social, Licenciatura en Lengua Inglesa y Licenciatura en Turismo. Son familiares de diplomáticos de ese país acreditados en Cuba.

Cuba está firmemente comprometida con el cumplimiento de sus obligaciones en virtud de la Carta de las Naciones Unidas y el Derecho Internacional y en ese sentido cumple estrictamente con las resoluciones del Consejo de Seguridad.

Aprovecho esta ocasión para trasladarle el testimonio de su más alta consideración.



  
Pedro Luis Pedroso Cuesta  
Embajador  
Representante Permanente

Source : The Panel

## 2) Reply from Universitas Indonesia



**UNIVERSITAS INDONESIA**  
Veritas, Probitas, Justitia

Kampus Salemba Jl. Salemba Raya No. 4, Jakarta 10430  
Kampus Depok Kampus Universitas Indonesia Depok 16424  
Tel. 62.21. 7867 222/ 7864 1818 Fax. 62.21. 7864 9060  
Email pusadmul@ui.ac.id | www.ui.ac.id

Depok, 22 February 2021

Our Ref. : S - 809 /UN2.SU/OTL.00.01/2021  
Subject : Inquiry regarding education cooperation with Kim Il Sung University

██████████  
Coordinator of the Panel of Experts established  
Pursuant to Security Council Resolution 1874 (2009)

Dear Sir,

1. We have acknowledged the receive of written request from the Panel of Experts (PoE) of the 1874 Sanction Committee with reference numbers of S/AC.49/2020/PE/OC.477 dated 31 December 2020, which was addressed to Universitas Indonesia (UI), requesting information regarding education cooperation with the Kim Il Sung University (KISU).
2. As mentioned in the written request, we would like to inform that there have been **inaccuracies** on the referred university where the correct one should be Universitas Indonesia (UI). Both UI and the Kim Il Sung University (KISU), with the support of the Ministry of Foreign Affairs of the Republic of Indonesia and according to respective national regulations, have signed a **non-legally binding** and Memorandum of Understanding (MoU) grade Agreement on Educational and Scientific Exchange and Cooperation between KISU and UI ("**the Agreement**"), on 18 March 2015.
3. By its characteristic, the provisions of the Agreement are in general form and stipulate non-binding rights and obligation between the parties, such as implementation plan as well as financing scheme. The scopes of the agreement are limited to joint research and education exchange program; participation in the international symposium, conference, and training organized by the host university; and administrative facilitation, where possible, for the visit of scholars between the two universities.
4. Based on the said scopes, UI and KISU are **not 'sister university'** and, furthermore, **no declaration** has been made from our side in referring such relations between both parties.
5. Under the Agreement, UI and KISU initiated a **socio-cultural program** through a public lecture on North Korean Language and Culture at the Faculty of Cultural Studies of the UI on 17 March 2015. Moreover, the representative of the UI had been participating as a member of delegation of a mission which facilitated by the Ministry of Foreign Affairs of the Republic of Indonesia in May 2015. **Since 2016** until today, **no further program or activities** under the Agreement has been conducted or organized between UI and KISU.

6. Therefore, considering the time of the conclusion of the Agreement in 2015 as well as the scope of the cooperation conducted has been limited to **socio-culture program** and, obviously, **not related** to contribute to the DPRK's proliferation sensitive nuclear activities or the development of nuclear weapon delivery systems, the education cooperation between UI and KISU **should not be considered as non-compliance** against relevant UNSCR, in particular the referred UNSCR 1874 (2009); 2270 (2016); 2321(2016); and 2397 (2017).
7. We would like to reiterate our support to the implementation of relevant UNSC resolutions on DPRK.

Sincerely yours,



**CC:**

1. The Ministry of Foreign Affairs of the Republic of Indonesia
2. Permanent Mission of the Republic of Indonesia to the United Nations

Source : The Panel

## 3) Reply from Syria

**THE PERMANENT MISSION OF THE SYRIAN ARAB REPUBLIC TO THE UNITED NATIONS**

820 Second Ave., 15th Floor, New York, N. Y. 10017

Tel: (212) 661-1313

Fax: (212) 983-4439

E-mail: [exesec.syria@gmail.com](mailto:exesec.syria@gmail.com)

PM/2021/ 547

24 February 2021

The Permanent Mission of the Syrian Arab Republic to the United Nations presents its compliments to 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), and with reference to Note Verbal No. S/AC.49/2020/PE/OC.476 of 31 December 2020, regarding the request of information on academic exchange between Damascus University and the DPRK's Kim il Sung University,

The Permanent Mission of the Syrian Arab Republic to the United Nations has the honor to inform you with the following:

- There are four Korean Non Degreed students In the Faculty of Humanities and Arts - Department of English Literature - at Damascus University, and they were accepted under an agreement for scientific cooperation and academic exchange between Damascus University and the DPRK's Kim il Sung University, signed on 04/21/2016.

The agreement includes: exchange of visits for faculty members, exchange of students, publications, scientific documents and scientific research.



- There are four other Korean Non Degreed students, as children of Korean diplomats who are serving at their country's embassy in Damascus, In the Faculty of Humanities and Arts - Department of English Literature - at Damascus University,

The Permanent Mission of the Syrian Arab Republic to the United Nations avails itself of this opportunity to renew to 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), the assurances of its highest esteem and consideration.



**Bassam Sabbagh**  
**Ambassador**  
**Permanent Representative**

A handwritten signature in blue ink, appearing to read "Bassam Sabbagh".

---

- 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).

Source : The Panel

#### 4) Reply from Vietnam

[REDACTED]

---

**From:** [REDACTED]  
**Sent:** Monday, March 8, 2021 7:03 PM  
**To:** [REDACTED]  
**Cc:** [REDACTED]  
**Subject:** FW: Info regarding Hanoi National University

Please register.

---

**From:** [REDACTED]  
**Sent:** Monday, 08 March, 2021 6:53 PM  
**To:** [REDACTED]  
**Cc:** [REDACTED]  
**Subject:** Info regarding Hanoi National University

Dear [REDACTED]

Ref: Communication S/AC.49/2020/PE/OC.475

We're sorry for this late reply, with which the updated information arrived when PoE Final Report this year was under circulation already:

1. On 1 August 2012, Ha Noi National Universities signed an MoU with Kim Il Sung University. However, then after, the two Universities did not have any cooperation on education, training, science research, or student and staff exchange.
2. From 2017, Ha Noi National University did not have any cooperation, co-activities, did not receive any teachers, researchers, experts or scientists from the DPRK. In addition, there was not any sponsorship, finance support, or permit to access to database or information system of Ha Noi National University.
3. Also from 2017, there have been 16 students from DPRK to study in Ha Noi National University, on languages such as Vietnamese, English and Chinese. These students paid by themselves for their studies.

Sincerely,

[REDACTED]  
Permanent Mission of Viet Nam to the United Nations

Source : The Panel

## Annex 16: “International Friendship” universities listed on the website of Kim Chaek University of Technology

### Kim Chaek University website

The screenshot shows the website of Kim Chaek University of Technology. The header includes the university's logo and name in Korean and English, along with navigation links: Home, Supreme Leader's Activities, About, Education, Research, Campus Life, International, and 조선어. The main content area is titled 'International Friendship' and lists the following countries and their respective universities:

- Russia**
  - Pacific National University
- China**
  - Tsinghua University
  - Northeastern University
  - Harbin Institute of Technology
  - Dalian University of Technology
  - China University of Petroleum
- Italy**
  - University of Trieste
- Brazil**
  - University of Caxias do Sul
- Vietnam**
  - Hanoi University
- Mexico**
  - Autonomous University of Zacatecas

The footer of the website features a grid of navigation links:

- About**
  - Great Leadership
  - History
  - Mission
  - Emblem
  - Structures
  - Campus
- Education**
  - Undergraduate
  - Postgraduate
  - Engineering Science Institute
  - Refresher Education
  - Distance
- Research**
  - Research Project
  - Intellectual Property
  - Forums and Public Presentations
  - Paper
- International**
  - Friendship
  - International Cooperation
  - International Competition
  - Contacts

Source: Kim Chaek University of Technology website, “International Friendship” <http://www.kut.edu.kp/index.php/page/index?si=21>. (accessed 25 June 2021)

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## **Annex 17: Replies from “International Friendship” universities listed on the website of Kim Chaek University of Technology**

### **1) Reply from Russia on Pacific National University**

По информации Тихоокеанского государственного университета, данное высшее учебное заведение не проводит совместных исследований и не осуществляет научно-технического сотрудничества с КНДР в областях, связанных с распространением ОМУ и средств его доставки, а также не имеет трудовых договорных отношений с гражданами КНДР.

*Source* : The Panel

## 2) Reply from the University of Trieste (Italy)

Prot. n. 91183 del 06/07/2021



**UNIVERSITÀ  
DEGLI STUDI  
DI TRIESTE**

Rettorato e Direzione Generale  
Unità di Staff Comunicazione e Relazioni esterne

Dear [REDACTED]

Coordinator of the Panel Established  
pursuant to Security Council Resolution  
1874 (2009)

Subject: your kind request reference S/AC.49/2021/PE/OC.173

Dear [REDACTED]

in relation to your kind request about the relationships between University of Trieste and the DPRK's Kim Chaek University of Technology we are pleased to inform you as follows:

1. There are no formal relationships between the two universities, by no means of a Memorandum of Understanding (MoU) nor a Student Exchange Agreement (SEA).
2. We haven't been hosting any student from DPRK, no students are listed in our databases, and we therefore confirm that we have not provided any kind of support to DPRK.
3. The only official contact of a faculty member of the University of Trieste with DPRK was in 2005/2006 when a professor of geographical economy belonging to the Department of Political Sciences received an occasional visa to North Korea, during his research year in Mongolia, and downstream published an article entitled "Interpreting North Korea. Eastern Stalinism and signs of opening to the West" (<http://hdl.handle.net/11368/1927488>). In any case, this was not related to WMD matters.

Since there are no official relationships, the friendship mentioned in the Kim Chaek University of Technology website, might be probably related to personal relationships of some teachers/researchers (the university of Trieste counts more than 2.000 academic staff) of which we are not aware.

Yours faithfully,  
Trieste,

The Rector  
[REDACTED]

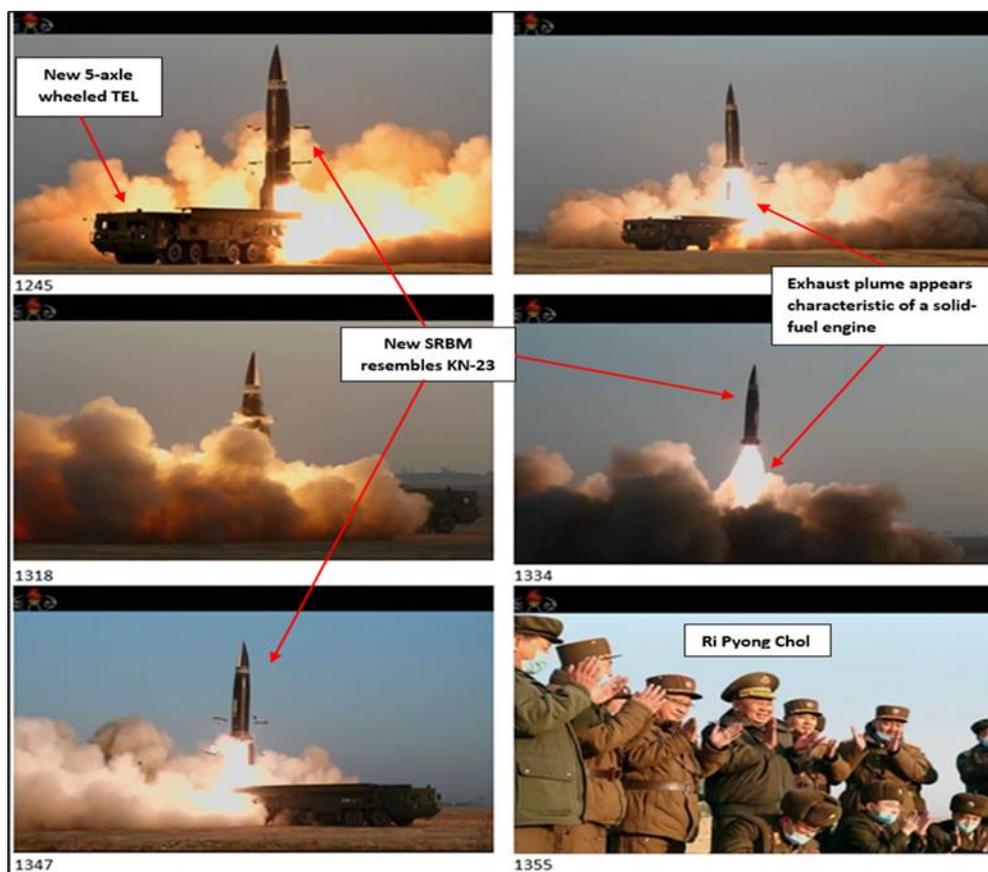
Università degli Studi di Trieste  
Piazzale Europa, 1  
I - 34127 Trieste  
www.units.it - [REDACTED]

Source : The Panel

## Annex 18-1: Missile launches by the Democratic People’s Republic of Korea on 25 March 2021

The reported flight performance noted in paragraph 16 and Table 1 is consistent with the observed features of the newly-tested missile and its new 5-axle wheeled transport erector launcher (TEL) in images<sup>2</sup> published by the DPRK in Rodong Sinmun and KCNA on 26 March 2021 (see figures annex 18-1-1 and annex 18-1-2). This missile and its TEL appear to be the new SRBM and TEL displayed during the Military Parade on 14 January 2021 and identified as a possible modified and enlarged version of the previously displayed and tested SRBM KN-23 (see S/2021/211, para. 18, figure 5 and annexes 11 and 12; S/2020/151, para. 194, Table 3 and annexes 58-1 and 59-1).

**Figure Annex 18-1-1: Test launch of the new SRBM – “New-type tactical guided missiles test-fired” (DPRK)**



*Source:* Photographs from Rodong Sinmun – KCNA (from DPRK Central Television) /  
*Annotation:* The Panel

<sup>2</sup> The DPRK has been shown on some previous launch occasions to modify or falsify photographic images presumably for propaganda purposes.

According to the DPRK authorities the “new-type tactical guided missiles” can carry a warhead of 2.5 tonnes<sup>3</sup>. This could appear to be consistent with analysis of the images published on 14 and 25 March 2021 (see figure annex 18-2). But several Member States assessed that this weight is probably related to the dry mass<sup>4</sup> instead of the warhead weight, which could be less important. According to one Member State, despite this elongated version of KN-23 it is not certain that the new payload could reach 2.5t but it might be loaded with a high explosive “bunker buster” type conventional weapon. While further information is required to reach a conclusion, initial analysis suggests that it would be possible for the SRBM to deliver a nuclear warhead. The Panel has previously noted that the report of the eighth congress of the Workers’ Party of Korea, held in January 2021, declared that DPRK would pursue the development of tactical nuclear weapons (see S/2021/211, para.18). Moreover, according to a Member State, with a lighter payload, the weapon would have a longer range and might qualify as a medium range ballistic missile (MRBM).

Several Member State assess that the range of the 25 March test is around 600 km. The overall shape of the missile suggests that it is built for aerodynamic flight. Its trajectory is semi ballistic with an apogee around 60 km followed by a pull-up maneuver. If the trajectory were a simple parabola, the missile’s range would be 450 km, but with the pull-up maneuver the range would reach 600-620 km.

According to the article and pictures from KCNA<sup>5</sup>, Ri Pyong Chol (KPi.076), then a Member of the Presidium of the Political Bureau of the Central Committee of the Workers' Party of Korea and Secretary of the Party Central Committee<sup>6</sup>, attended the missile launches (see figure annex 18-1-2).

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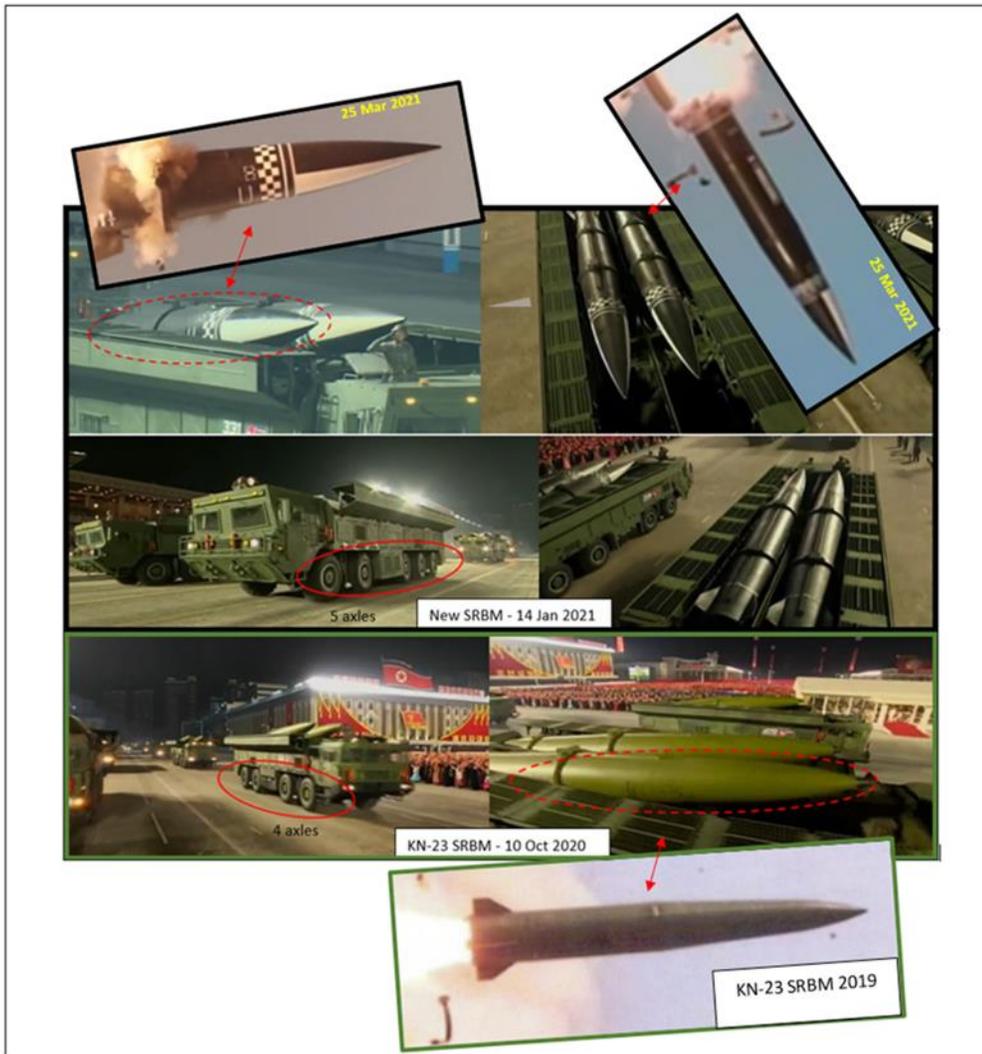
<sup>3</sup> According to a Member State, the weight of the warhead of the missile would be around 1.3 tonnes instead of the 2.7 as announced by the DPRK.

<sup>4</sup> Mass without the solid propellant mass but with the mass of the warhead.

<sup>5</sup> Source: Article “New-type tactical guided missiles test-fired - The Academy of National Defense Science of the Democratic People’s Republic of Korea test-fired newly-developed new-type tactical guided missiles on March 25” from KCNA Voice of Korea (EN), 26 March 2021, available at <https://kcnawatch.org/newstream/1616706026-838802969/new-type-tactical-guided-missiles-test-fired/?t=1626294053495>

<sup>6</sup> According to media reports, Ri Pyong Chol has subsequently been demoted. <https://www.nknews.org/2021/07/top-military-official-confirmed-out-as-kim-jong-un-makes-key-holiday-appearance/>

Figure Annex 18-1-2: Comparison between new SRBM (Jan 2021), KN-23 (Jan. 2021, Oct. 2020, May 2019)



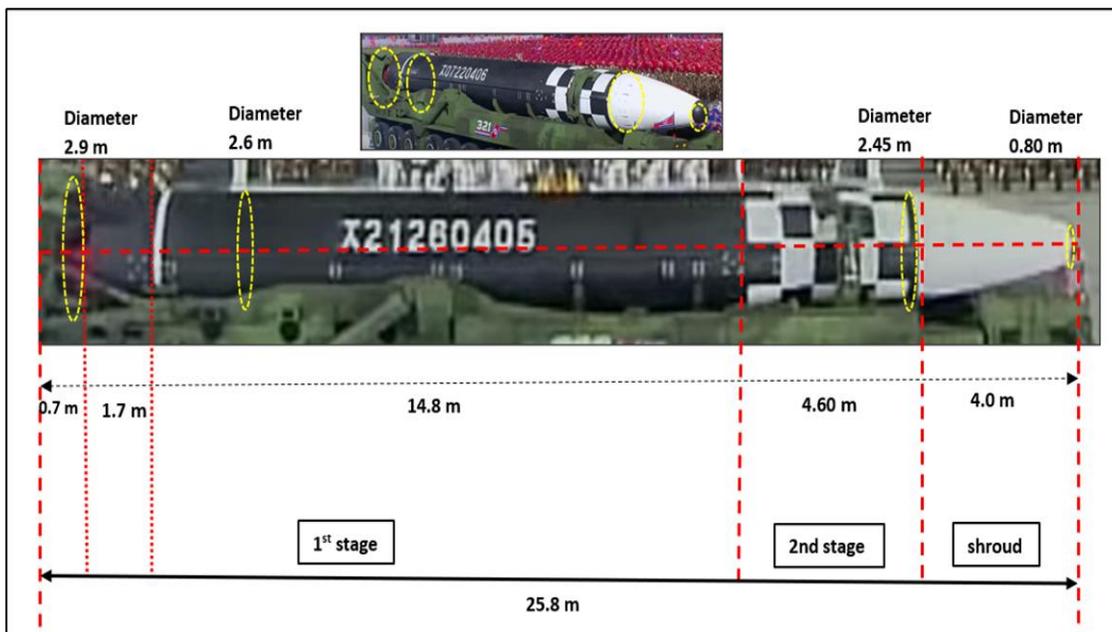
Source: Photographs from KCNA, with annotation by the Panel

## Annex 18-2: Estimation of the size of the new ICBM, the two new SLBMs (Pukguksong-4 and Pukguksong-5) and the new SRBM:

(Dimensions are estimated)

### Figure Annex 18-2-1: The new super large ICBM (so far unnamed by the DPRK media)

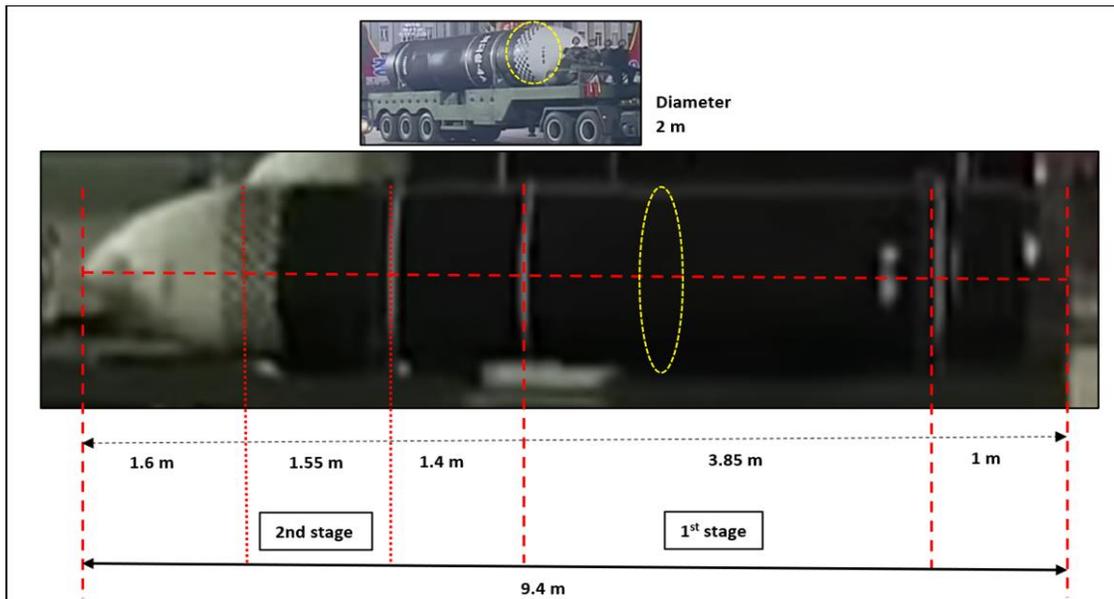
According to a Member State, the ICBM has a length of 25.8 m; first stage length: 17.3 m; diameter: 2.6-2.9 m; second stage: 4.6 m and the shroud almost of equivalent length. Its mass at take-off would be around 106 tons; mass of first stage around 90 tons (include 84.5 tons of fuel); second stage: 13.3 tons (include 12.2 tons of fuel); shroud: 0.7 tons; payload: 1.7 tons.



Source: Photographs from Rodong Sinmun – KCTV / Annotation: The Panel based on a Member State's assessment.

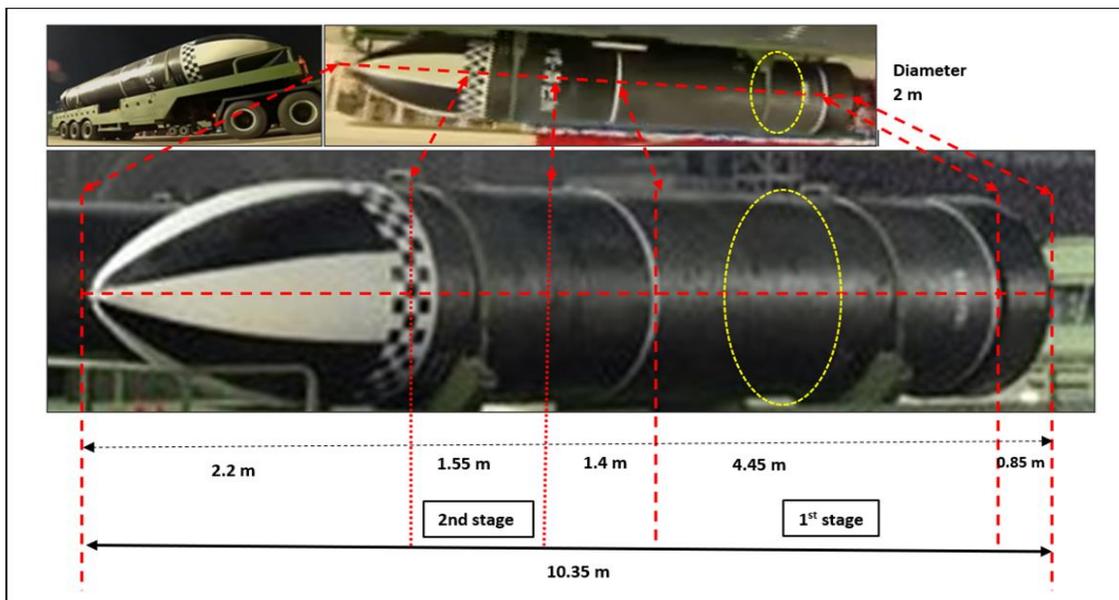
## Estimation of the size of the two new SLBMs (Pukguksong-4 and -5)

Figure Annex 18-2-2: The new SLBM Pukguksong-4.



Source: Photographs from Rodong Sinmun – KCTV/ Annotation: The Panel based on a Member State's assessment.

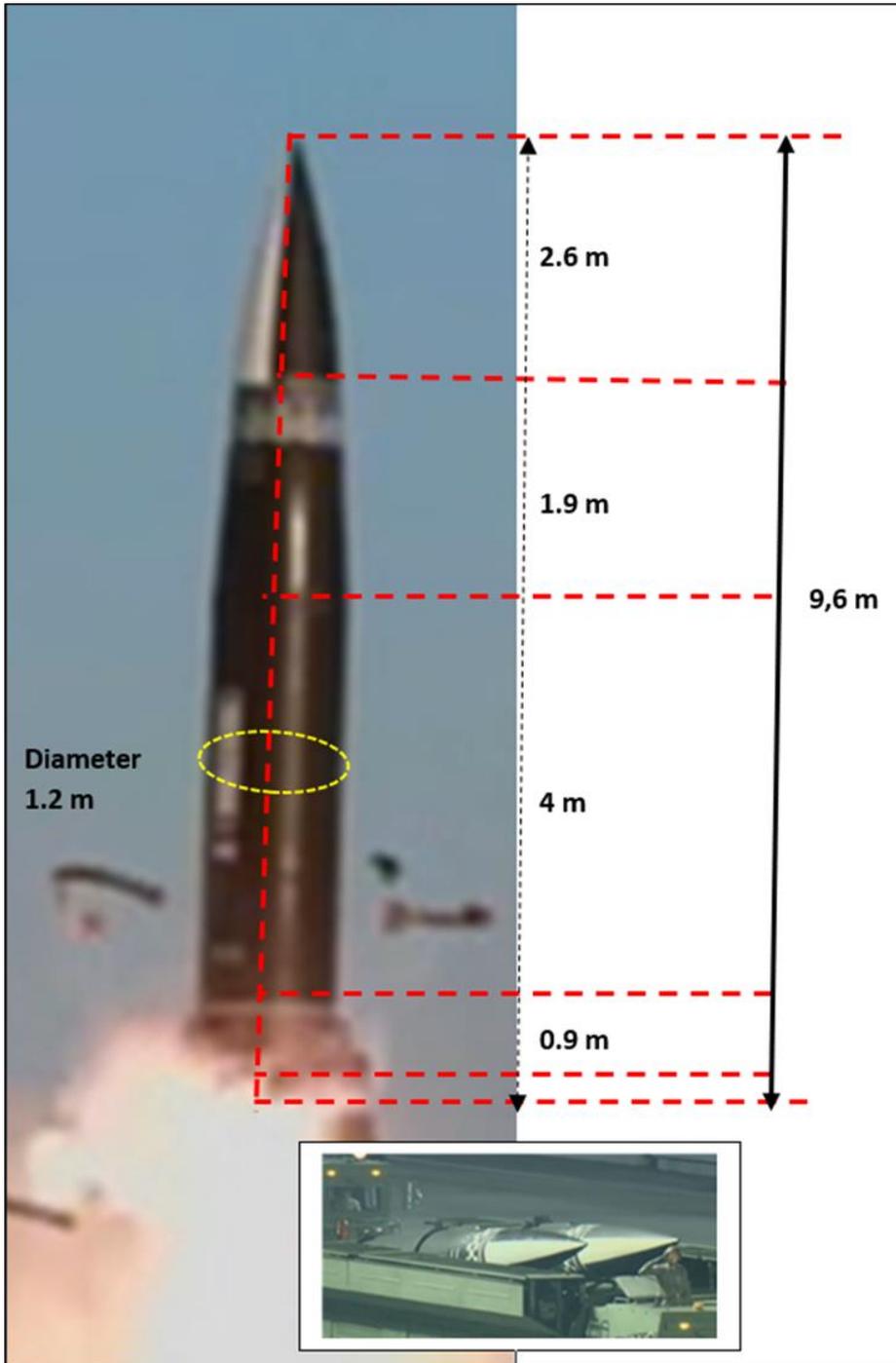
Figure Annex 18-2-3: The new SLBM Pukguksong-5.



Source: Photographs from Rodong Sinmun – KCTV / Annotation: The Panel based on a Member State's assessment.

### Estimation of the size the new SRBM

Figure Annex 18-2-4: The new SRBM



Source: Photographs from Rodong Sinmun – KCTV / Annotation: The Panel based on a Member State’s assessment.

## Annex 19: Activity observed at the Nampo naval shipyard and at the Sinpo south shipyard since February 2021

In November 2020, the submersible missile test stand barge was removed from the secure boat basin (38° 43' 06" N 125° 23' 39" E) at **Nampo naval shipyard** and relocated in December to a maintenance or construction area 300m away (38° 43' 08" N 125° 23' 28" E) where it is mounted on a temporary static trolley on rails. (see Figure annex 19-S/2021/211 para. 23, annex 15).

Regular satellite imagery observation of the submersible missile test stand barge at **Nampo naval shipyard** showed that it seemed to have not been moved from its new location (38° 43' 08" N 125° 23' 28" E) from December 2020 to June 2021. Potential work on the submersible barge could be related to its maintenance or upgrading for the launch of new SLBMs.

**Figure Annex 19-1: Submersible missile test stand barge in Nampo undergoing repair or modernisation 300 m away (38° 43' 08" N 125° 23' 28" E) from the Secure boat basin (38° 43' 06" N 125° 23' 39" E)**



Source: Planet Labs Inc. June 11, 2021, 05 58 UTC; April 28, 2021, 05 12 UTC; December 20, 2020 05 12 UTC

The activity related to the ballistic missile submarine programme continued from March to June 2021 at the **Sinpo south shipyard**, through regular moves of the floating drydock (length 50 m width 12m) (see S/2017/150, para.47 Annex 5-1) as well as the regular movements of another barge (30m x10m) from its initial location to a berth along the new dock at the front of the entrance of the new construction hall, and back again.

Between 17 March and 24 March 2021, the floating drydock (length 50 m width 12m) (see S/2017/150, para.47, Annex 5-13) has moved from the pier (40° 01' 08" N 128° 09' 51" E) where it was berthed between Dec 2014-Aug 2015 and again between Dec 2015-Mar 2021, to the southwest side of the dock (40° 01' 20" N 128° 09' 47" E) (see S/2020/151, annex. 60; S/2020/840, para.12; S/2021/211, para.23, annex 15, figure 15-5). This dock is at the front of the entrance of the new construction hall and is dedicated to the launch of the new ballistic missile submarine currently under construction in the hall.

Between 24 March and 30 March, a barge (30m x10m) reached the northeast side of the dock (40° 01' 21" N 128° 09' 50" E, see figure annex 19-2).

Between 13 April and 9 May the submersible drydock (length 50 m width 12m) stayed at its initial location (40° 01' 08" N 128° 09' 51" E) along the pier.

From 10 May to 19-24 May the floating drydock (length 50 m width 12m) has moved again from the pier (40° 01' 08" N 128° 09' 51" E) to the southwest side of the dock (40° 01' 20" N 128° 09' 47" E) at the front of the entrance of the construction hall (see figure annex 19-3).

**Figure Annex 19-2: From March to April 2021, the floating drydock (length 50m width 12m) and a barge (30m x 10m) have regularly moved from their initial location to a berth along the new dock in front of the new construction hall and vice versa**



*Source:* Planet Labs Inc. March 17, 2021; 08 35 UTC – March 24, 2021; 04 55 UTC - March 30, 2021  
03 44 UTC - May 9, 2021; 00 46 UTC - May 24, 2021 01 17 UTC - June 7, 2021; 01 55 UTC

**Figure Annex 19-3: From April to June 2021, the floating drydock (length 50m width 12m) and a barge (30m x 10m) have regularly moved from their initial location to a berth along the new dock in front of the new construction hall and vice versa**



Source: Planet Labs Inc. March 17, 2021; 08 35 UTC – March 24, 2021; 04 55 UTC - March 30, 2021  
03 44 UTC - May 9, 2021; 00 46 UTC - May 24, 2021 01 17 UTC - June 7, 2021; 01 55 UTC

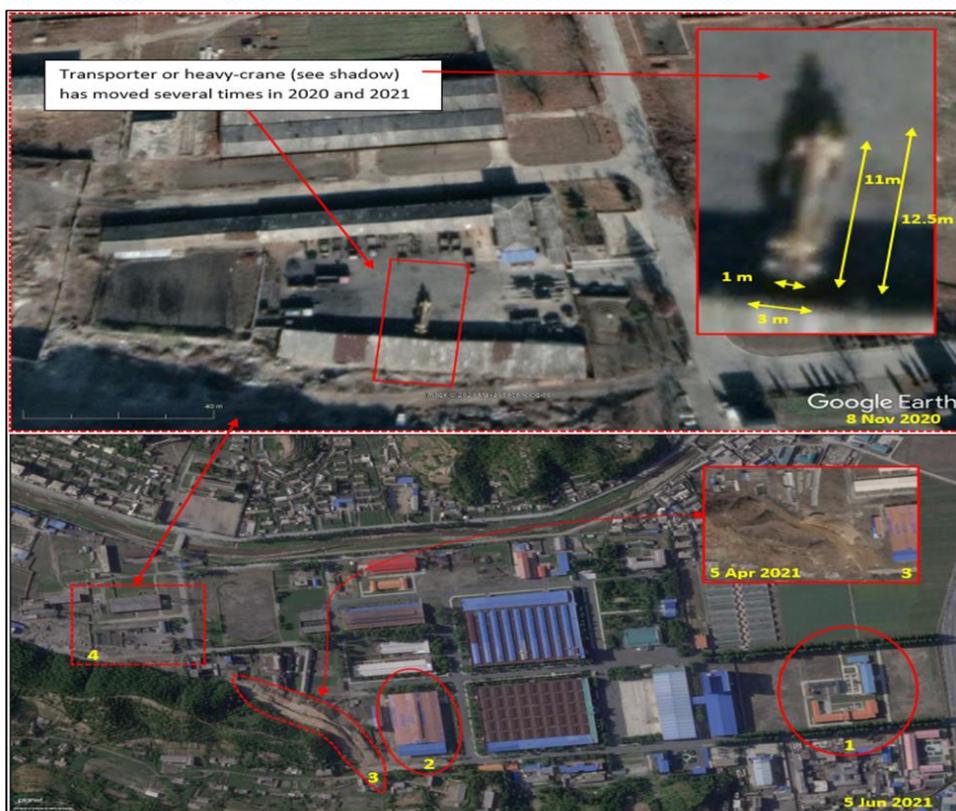
## Annex 20: Developments at the Pyongsong March 16 factory automotive plant (South Pyongan)

The upgrading of the Pyongsong March 16 Factory automotive plant in Pyongsong (see S/2021/211, para.15, and S/2020/151, para. 198) has continued. The renovation of the western building has continued while the activity of large vehicles continues to be detected (see Figure annex 20-1 and see S/2021/211, para.15, annex 11).

The new construction (Picture: area -1-,  $39^{\circ} 16' 54'' \text{ N } 125^{\circ} 52' 24'' \text{ E}$ ) is completed (See S/2021/211, annex 11, figure 11). The renovation of the western building (picture: area -2-,  $39^{\circ} 16' 52'' \text{ N } 125^{\circ} 51' 58'' \text{ E}$ ) has continued as well as the earthworks (picture: area -3-,  $39^{\circ} 16' 51'' \text{ N } 125^{\circ} 51' 52'' \text{ E}$ ) to probably widen the peripheral track.

The movements of a possible heavy-lift crane with a telescopic boom could be observed on satellite imagery up to 8 November 2020 (see area -4-,  $39^{\circ} 16' 56.66'' \text{ N } 125^{\circ} 51' 39.76'' \text{ E}$ ) in front of a semi-underground vehicle maintenance and storage facility (at 800 m westwards from the building where the Hwasong-15 was assembled in 2017 before the ICBM test launch on 29 November 2017).

**Figure Annex 20-1: Activity in Pyongsong March 16 factory automotive plant**



Source: Google Earth November 8, 2020 and Planet Labs Inc April 5, 2021 01 57 UTC and June 5, 2021 08 18 UTC

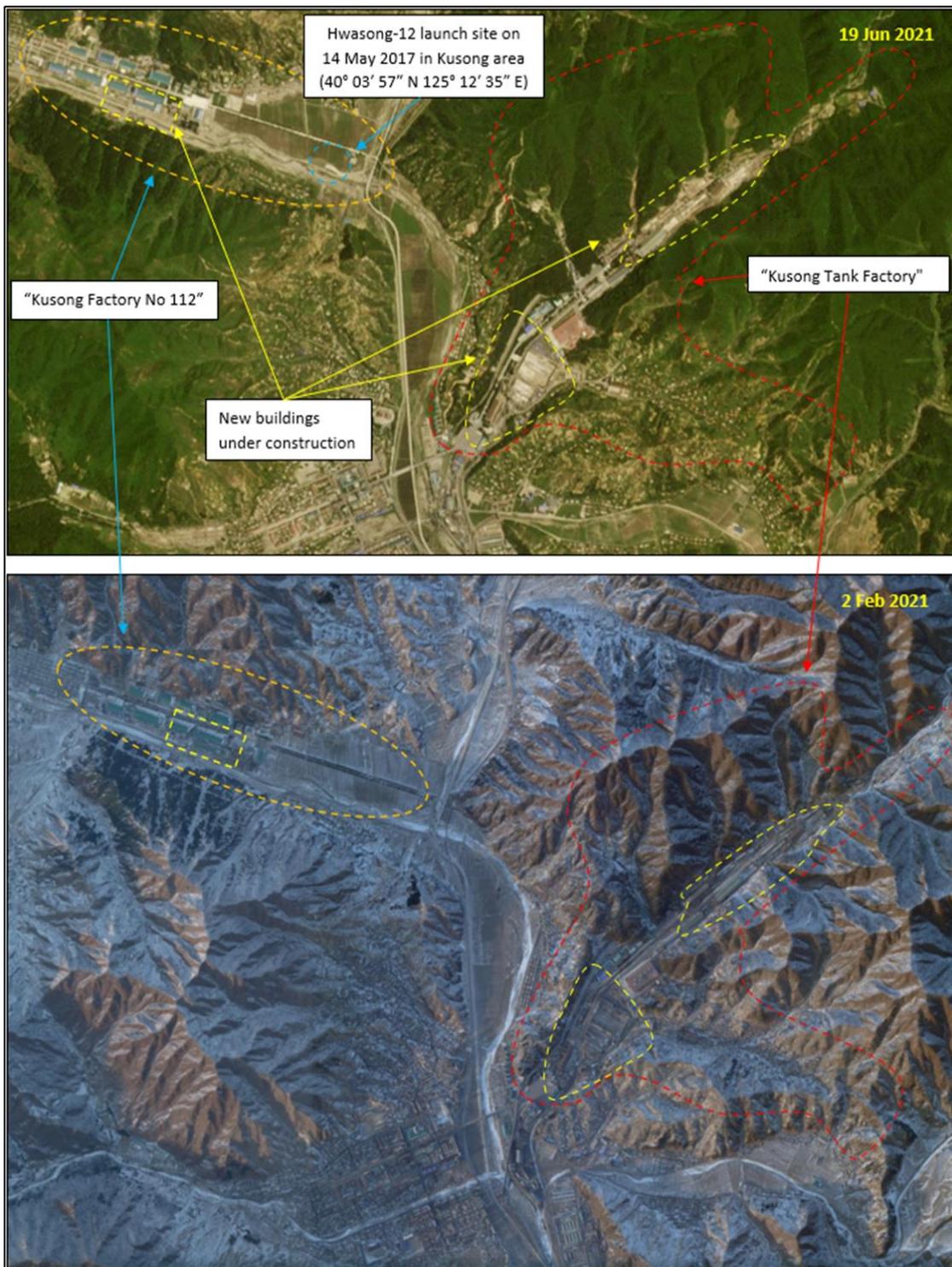
**Annex 21: Developments at Kusong tank factory (No. 95 Factory, see S/2021/211, annex 13) and at No. 112 Factory**

The overall modernization of the Kusong tank factory (No. 95 Factory) in charge of BM TEL production has continued in the first half of 2021. A new building is also under construction near No. 112 Factory since 2020 where a IRBM Hwasong-12 was launched on 14 May 2017. It marks the trend, already reported, that the infrastructure development of the BM programme continues (see in the report S/2021/211 para.21 annex 13).

A massive range of construction activity is currently underway since August 2020: at the southwest of the complex (40° 03' 23" N 125° 13' 20" E) and at the northeast (40° 03' 50" N 125° 13' 57" E) of the "**Kusong Tank Factory**" (aka "Kusong-Taegwan" , "Tank Plant - 95 Factory", "No. 95 Factory"), (see figure annex 21-1) the two areas delimited by dotted yellow lines).

Since 2020, a building has also been under construction at **Plant No. 112** where an IRBM Hwasong-12 was launched on 14 May 2017. The Plant No. 112 is located less than 3 km west of Plant No. 95 (40° 04' 07" N 125° 11' 52" E, see figure annex 21-2 areas delimited by dotted yellow lines).

Figure Annex 21-1: The “Kusong tank factory” renovation continues in the first half of 2021



Source: Planet Labs Inc. June 19, 2021 01 37 UTC; February 2, 2021, 08 09 UTC

Figure Annex 21-2: A building under construction in Factory No. 112



Source: Planet Labs Inc. Dec. 4, 2020, 02 56 UTC; Dec. 5, 2020, 02 58 UTC; Feb. 2, 2021, 08 09 UTC

**Annex 22: At the Sanum Dong scientific and ballistic missile research complex the canopy and construction were removed from Feb to March 2021**

**Figure Annex 22: The canopy (length around 50 m width around 6 m, location:  $39^{\circ} 8'29.70''N$   $125^{\circ}45'58.96''E$ , erected between 29 February and 5 March 2020 (see S/2020/840 para.14, annex 10)) has been removed since the beginning of 2021.**



*Source:* Planet Labs Inc. April 5, 2021 01 57 UTC

### Annex 23: At the Sinpo south shipyard resumption of the construction of the pier located in front of the buried submarine shelter

The resumption of the construction of the pier (waterbreak/quay, 40° 00' 32" N 128° 08' 50" E) located in front of the buried submarine shelter has been underway since early May 2021, whereas the construction of this shelter itself still seems to be slowed down (40° 0'42.23"N 128° 8'51.60"E ; see S/2021/211, annex 15, Figure 15-1, and S/2020/151, annex 61, figure 61-2, 61-3, and S/2017/150, annex 5-12, 5-13). Support barges and equipment were detected along the pier which is made up of assembled concrete caissons.

**Figure Annex 23: Resumption of the construction (or renovation) of the jetty (breakwater/quay) in the first half of 2021 while the construction of the buried shelter still seems to have slowed down**



Source: Planet Labs Inc. May 9, 2021 00 46 UTC; June 27, 2021 05 44 UTC

**Annex 24: At the Sinpo south shipyard, new buildings are currently under construction at the static test stand area.**

In addition of the various submersible barge activity (see figure annex 19-2) in the area between the secure boat basin and the new submarine construction hall in the Sinpo south shipyard, new buildings are under construction near the missile engine test infrastructure since February 2021 (see figure annex 23 and 24).

**Figure Annex 24: The construction of the new buildings (40° 01' 08" N 128° 09' 27" E) in the area of the engine test stand (40° 01' 05" N 128° 09' 25" E) has continued from February to May 2021.**



Source: Planet Labs Inc. May 9, 2021 00 46 UTC, March 30, 2021 0344 UTC; Feb 10, 2021 01 51 UTC

## Annex 25: January 18<sup>th</sup> Factory: possible engine test stand (westside)

The January 18 General Machinery Factory (aka January 18<sup>th</sup> Factory located 39°33'19.88"N 125°51'20.23"E) was reported to be involved in the manufacture of Transporter Erector Launcher (TEL) (see S/2020/151 annex 67). The new design and implementation of a Flexible Manufacturing System (FMS) were implemented there too. The identification of a possible horizontal missile engine test stand (see figure annex 25) could support the assessment that the factory is also involved in the manufacture of ballistic missiles. The analysis of the Panel corroborates a recent think tank<sup>7</sup> assessment.

**Figure Annex 25: At Kaechon January 18<sup>th</sup> Factory, a possible horizontal engine test stand (39° 33' 09" N 125° 50' 20" E)**



Source: Planet Labs Inc. May 22, 2021 02 23 UTC, Google Earth March 20, 2020; Sept. 9, 2017; Sept. 19, 2014

<sup>7</sup> A “Arms Control Wonk” report on 26 May 2021 provided analysis that characterized the site of “the January 18<sup>th</sup> Factory” as rocket engine production site due to past information and a probable horizontal missile engine test stand see “The Stands they are a Changin”, 26 May 2021, available at <https://www.armscontrolwonk.com/archive/1211934/the-stands-they-are-a-changin/>

## **Annex 26: Ballistic Missile bases and specific airbase infrastructure activity**

Through satellite imagery, the Panel continued to observe work on the infrastructure of ballistic missile operating bases such as “Hoejung-ri missile base” (see figure annex 26-1), “Kumchon-ri missile Base”) (see figure annex 26-2 and a think tank report<sup>8</sup>) and Sangnam-ri Missile operating base (see S/2020/840, para. 13, annex 9, figure 3-4-6) (see figure annex 26-3) as well as airbases such as “Sunchon airbase” (see figure annex 26-4) previously used for BM launch tests. According to a Member State, deception measures are continuously updated at the BM base through the use of underground galleries, bunkers, semi-buried drive-throughs (for refueling the ICBM and MR/IRBM) and various means of concealment and camouflage (see figure annex 26-2) (see the previous report on that issue S/2021/211, para.24, annex 16-18, and S/2020/840 para.13 annex 9).

New launch pads are built in the immediate vicinity of the entrances to the underground galleries where the BM systems are stored. In this context, according to the Member State, the current trend is to use smaller, dispersed galleries with their own camouflaged launch pad. (see figure annex 26-2) In Kumchon-ri missile Base, where the new generation of the solid propellant SRBM such as the KN-23 could be deployed, manual activity and building construction were detected. The same analysis could be made of the activity at the Sangnam-ri Missile operating base (40°50'7.46"N 128°32'47.42"E).

This assessment is consistent with the assessment of another Member State that the DPRK is capable of launch from any place and at any time. So that, the DPRK appears to be seeking to improve its ability to conduct surprise attacks by enhancing secrecy and rapid deployability to make it difficult to detect signs of a launch.

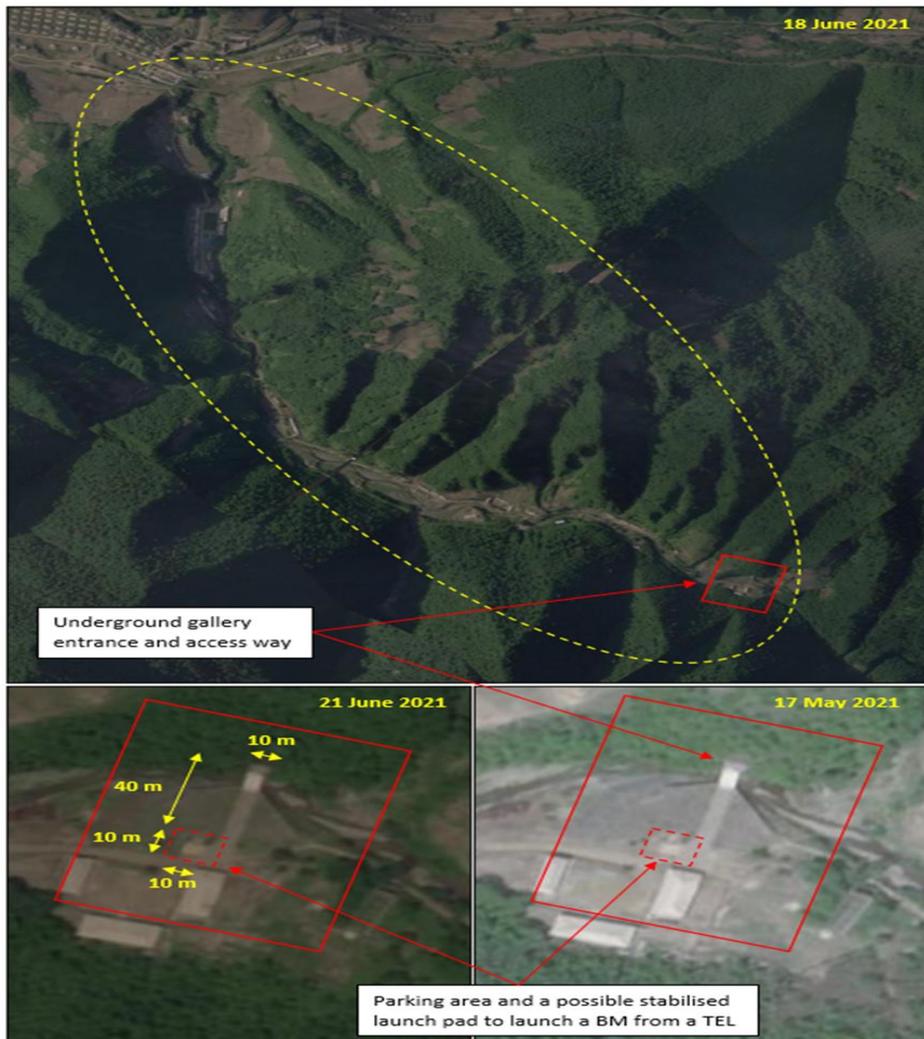
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<sup>8</sup> The Center for Strategic and International Studies-Beyond Parallel (CSIS) report on 6 September 2019 provided analysis that characterized the site of the “Kumchon-ni Missile Operating Base” as an MRBM missiles base (see “Undeclared North Korea: The Kumchon-ni Missile Operating Base 6 September 2019, available at <https://beyondparallel.csis.org/undeclared-north-korea-the-kumchon-ni-missile-operating-base/>)

### Activity in “Hoejung-ri missile base” (41°22'44.93"N 126°54'38.16"E)

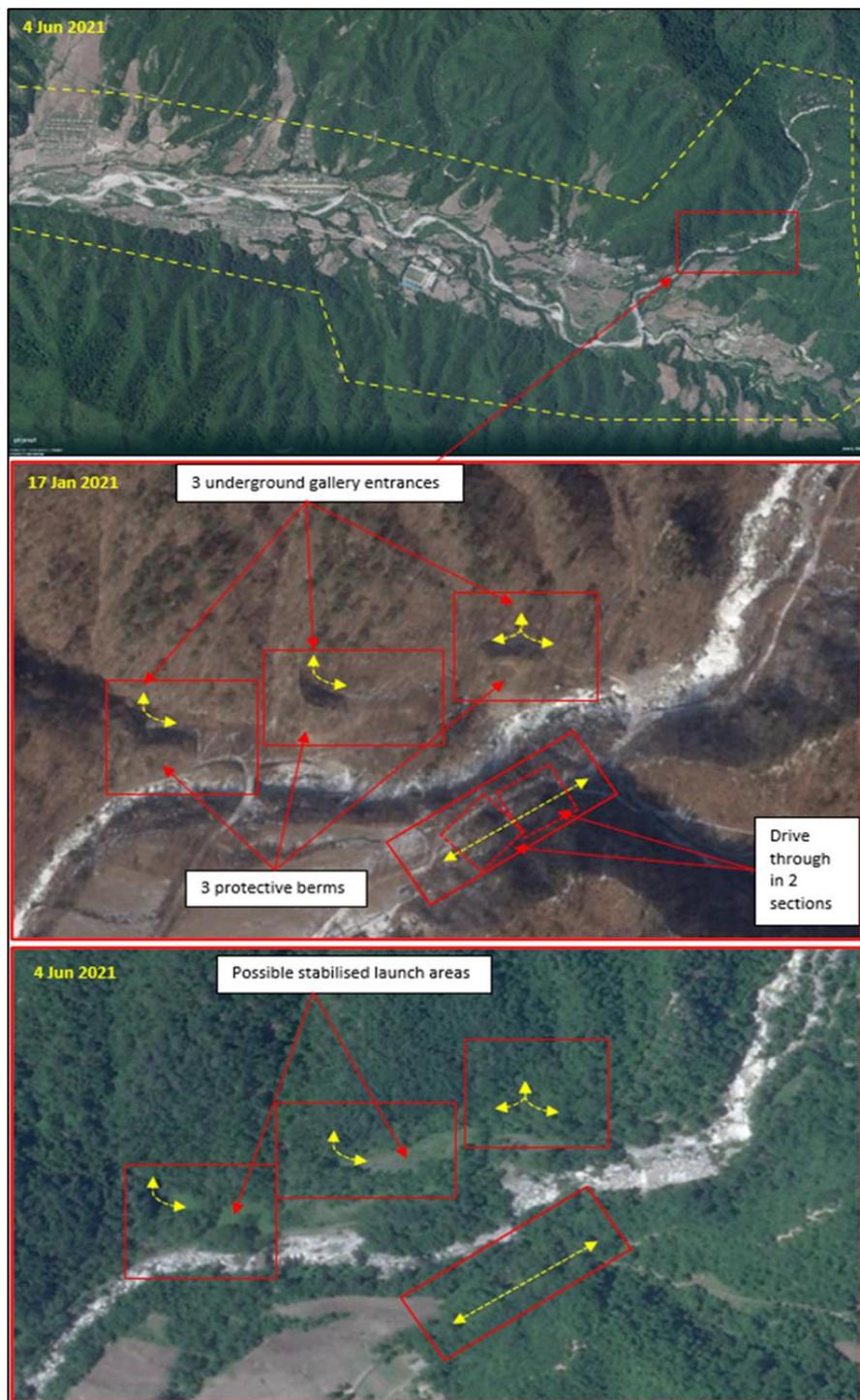
(see S/2021/211 Para.24 Annex 18) In front of the massive underground facility, the access road and a stabilised platform (10m x 10m) have been built (41°21'56.37"N 126°55'41.91"E). A TEL could easily reach this potential launch platform to fire its missile. According to a Member State, for several months the DPRK has been consolidating stabilised platforms located close to the entrances of the underground galleries where the TELs and BMs are stored, allowing them rapidly to reach this new area for use as a launch pad.

**Figure Annex 26-1: The stabilisation of a potential TEL launch pad and delimitation of the access way to the underground entrance, continued from March to June 2021 at the “Hoejung-ri missile base”**



*Source:* Planet Labs Inc. June 21, 2021, 05 15 UTC; June 18, 2021 08 53 UTC; May 17, 2021 05 17 UTC

**Figure Annex 26-2: Kumchon-ri Missile Operating Base activity** (38°57'52.48"N 127°35'11.98"E) concealment and stabilisation of the potential launch pad close to three underground gallery entrances which are located along the valley at 1<sup>st</sup> SW 38° 57' 58" N 127° 36' 07" E – 2<sup>nd</sup> Middle 38° 57' 58" N 127° 36' 11" E – 3<sup>rd</sup> NE 38° 58' 00" N 127° 36' 17" E



Source: Planet June 04, 2021, 04 57 UTC; January 17, 2021 UTC

**Figure Annex 26-3: Sangnam-ri Missile operating base (40°50'7.46"N 128°32'47.42"E)<sup>9</sup>. Concealment and stabilisation of the potential 2 launch pads (at NW 40° 49' 45" N 128° 33' 08" E, SE 40° 49' 42" N 128° 33' 10" E) close to underground gallery entrance (at NW 40° 49' 44" N 128° 33' 08" E and at SE 40° 49' 43" N 128° 33' 09" E)**



Source: Planet Labs Inc. June 8, 2021 00 08 UTC, January 17, 2021 02 09 UTC, Google Earth October 28 2015

<sup>9</sup> See also the CSIS report “Undeclared North Korea: The Sangnam-ni Missile Operating Base”, 15 February 2019, available at <https://beyondparallel.csis.org/undeclared-north-korea-sangnam-ni-missile-operating-base/>

### Infrastructure activity in the Sunchon airbase from April to June 2021

A massive upgrade of Sunchon airbase is under way. Usually the most modern fighters of the DPRK are based on this site (See figure annex 26-4 on 28 November 2019) but this airbase was also used as a launch site for new SRBM KN-25 mobile launches test (launch pad location: 39°24'48" N, 125°53'18" E, flight range 370 km, altitude 90 km) on 31 October 2019 (see red dot "L" on Figure below and S/2020/840 para.194 table 3 and annex 7).<sup>10</sup>

Since April 2021, a massive plan of renovation work involving the construction of additional runway area (creation of a concrete surface as apron 260 m x 70 m at NW: 39° 25' 00" N 125° 53' 26" E, at SE: 39° 24' 36" N 125° 53' 48" E and 344 m expansion south-eastwards of the runway 39° 24' 07" N 125° 54' 01" E ) has been underway (See figure annex 26-4).

<sup>10</sup> See also the recent CSIS report "North Korea Upgrades Sunchon Airbase", 24 June 2021, available at <https://beyondparallel.csis.org/north-korea-upgrades-sunchon-airbase/>

Figure Annex 26-4: Massive expansion and refurbishment works at Suncheon Airbase since April 2021



Source: Planet Labs Inc June 5, 2021 08 18 UTC, February 24, 2021 02 29 UTC, Google Earth November 28, 2019

## Annex 27: Procurement of illicit and WMD related commodities through Mr. Kim Jong Dok's network

Specifications of goods ordered by KMGIT with third country-based companies (Member State Information)

According to a Member State, below is the list of goods (in Korean) contained in four orders by KMGIT (January~February 2021) regarding possible "choke-point" items for DPRK's nuclear and ballistic programmes:

January 2021 :

No	품명	규격	수량	단위	비고
1	저탄망간철	Mn ≥ 75%, C ≤ 0.5%, Si ≤ 2%, P ≤ 0.03, 립도 50mm	0.24	t	
2	환강	강45, Φ155 mm	11.85	t	80m
3	환강	강35, Φ130mm	2.5	t	24m
4	환강	강3, Φ50mm	4.07	t	264m
5	환강	강3, Φ80mm	2.53	t	64m
6	환강	강3, Φ225mm	3.74	t	12m
7	불수환강	1Cr18Ni9Ti, Φ30mm	155	kg	28m
8	불수환강	1Cr18Ni9Ti, Φ65mm	4.58	t	176m
9	불수환강	1Cr18Ni9Ti, Φ630mm	652	kg	2m
10	환강	65Mn, Φ35mm	60	kg	8m
11	강판	강3, #8mm	5.77	t	92m'
12	강판	강3, #20mm	8.79	t	56m'
13	불수강판	1Cr18Ni9Ti, #4mm	11	t	352 m'
14	불수강판	1Cr18Ni9Ti, #10mm	11.3	t	144 m'
15	불수강판	1Cr18Ni9Ti, #20mm	2.5	t	16m'
16	ㄷ형강	강3, ㄷ 120*100*5mm	1	t	88m
17	ㄴ형강	강3, ㄴ 75*5mm	1.76	t	304m
18	ㄴ형강	강3, ㄴ 150*10mm	1.29	t	560m
19	인발강판	강3, Φ62*6mm	0.53	t	64m
20	인발강판	강3, Φ150*10mm	0.69	t	20m
21	인발강판	1Cr18Ni9Ti, Φ30*3mm	0.6	t	304m
22	인발강판	1Cr18Ni9Ti, Φ100*4mm	0.27	t	28m
23	용접봉	J422, Φ4mm	1.04	t	
24	불수강용접봉	A022, Φ4mm	0.64	t	
25	진공변(자동변)	D671F-16, P:1.6MPa, DN:30mm , 남경미월변유한공사(南京美悦阀门有限公司) )제품임, 구체적인 기술적특성과 사진자료요구	16	개	
26	진공변(자동변)	D671F-16, P:1.6MPa, DN:75mm , 남경미월변유한공사(南京美悦阀门有限公司) )제품임, 구체적인 기술적특성과 사진자료요구	32	개	
27	공기압축기	배기:1m' /분, 압력0.9Mpa, 3상, 380V/50Hz, 이동식, 사진자료요구	7	대	
28	내산성펌프	2m <sup>3</sup> /h, 양정높이10m, 전동기포함	8	대	
29	가정용물펌프	4m <sup>3</sup> /h, 양정높이10m, 압력0.1MPa 단상220V, 전동기포함	7	대	
30	물려과기	4m <sup>3</sup> /h	8	대	
31	진공압력계	압력0.1MPa, 사진자료요구	7	개	
32	코압호수	Φ22*3*1400mm, 압력:0.1MPa, (참고:강선이 있어야함, 호수가 쭈그러들지 말아야 함 사진자료요구)	11.2	m	8개

33	고압호수	φ22*4.5*5000mm, 압력:0.1MPa, 고무관.사진자료요구	48	m	8개
34	고압호수	φ38*4*17400mm, 압력:0.1MPa, (참고:강선이 있어야함, 호수가 쭈그러들지 말아야함. 사진자료요구)	139.2	m	8개
35	고압호수	φ85*5*5000mm, 압력:0.1MPa, (참고:강선이 있어야함, 호수가 쭈그러들지 말아야함. 사진자료요구)	40	m	8개
36	고압호수	φ110*6*4500mm, 압력:0.1MPa, (참고:강선이 있어야함, 호수가 쭈그러들지 말아야함. 사진자료요구)	36	m	8개
37	조임띠	불수강φ22	64	개	
38	조임띠	불수강φ38	288	개	
39	조임띠	불수강φ85	64	개	
40	조임띠	불수강φ110	48	개	
41	웜감속기	웜감200-32-II	8	대	
42	원추로라베어링	7315(d75,D160,B37,T40mm)	16	개	
43	원추로라베어링	7312(d60,D130,B31,T33.5mm)	16	개	
44	볼트, 나트조	불수강, M12*85mm, 용수자리쇠포함	120	조	
45	볼트	불수강, M12*20mm, 용수자리쇠포함	120	개	

February 2021 :

No	품명	규격	수량	단위
1	저탄망간철	Mn≥75%, C≤0.5%, Si≤2%, P≤0.03%, 립도50mm	0.24	t
2	환강	45강, φ 35mm	1.3	t
3	환강	45강, φ 55mm	1.4	t
4	환강	45강, φ 80mm	1.9	t
5	환강	45강, φ 90mm	1.5	t
6	환강	45강, φ 125mm	1.15	t
7	환강	45강, φ 155mm	3	t
8	환강	45강, φ 225mm	1.25	t
9	내열내산환강	1Cr18Ni9Ti, φ 22mm	0.5	t
10	내열내산환강	1Cr18Ni9Ti, φ 40mm	0.85	t
11	합금환강	65Mn, φ 35mm	0.06	t
12	강판	강3, ≠ .4mm	0.3	t
13	강판	강3, ≠ .8mm	7.13	t
14	강판	강3, ≠ .16mm	1.7	t
15	강판	강3, ≠ 19.5mm	3	t
16	내열내산강판	1Cr18Ni9Ti, ≠ 4mm	7.6	t
17	내열내산강판	1Cr18Ni9Ti, ≠ 5mm	2	t
18	내열내산강판	1Cr18Ni9Ti, ≠ 8mm	4.2	t
19	내열내산강판	1Cr18Ni9Ti, ≠ 10mm	0.8	t
20	구형강	강3, ≡ 120*100*120*5mm	1	t
21	산형강	강3, ≡ 75*75*5mm	1.7	t

22	산형강	강3, L 100*100*8mm	2.8	t
23	산형강	강3, L 140*140*10mm	5.7	t
24	인발관	강3, Φ 63*4mm	0.4	t
25	인발관	강3, Φ 150*10mm	0.5	t
26	내열내산인발관	1Cr18Ni9Ti, Φ 32*3mm	0.35	t
27	내열내산인발관	1Cr18Ni9Ti, Φ 108*4mm	0.16	t
28	사불화수지봉	Φ 220*5000mm	45	kg
29	용접봉	J422, Φ 4mm	0.8	t
30	불수강용접봉	A102, Φ 4mm	0.48	t
31	원추로라베아링	7315(d75, D160, B37, T40mm)	16	개
32	원추로라베아링	7312(d60, D130, B31, T33.5mm)	16	개
33	웜감속기	NMRV200-4-32, AB형, 60Hz (전동기포함, 축간거리200mm, 전동기출력4kW, 감속비32) (참고: 축간거리200, 감속비 32, AB형이 기준요구임)	8	대
34	자동발브	D671F-16, P:1.6MPa, DN:40mm, 매질:공기, 매질:공기(공기에 의하여 열리고 닫겨야 함)	16	개
35	자동발브	D671F-16, P:1.6MPa, DN:80mm, 매질:공기(공기에 의하여 열리고 닫겨야 함)	32	개
36	고압호스	Φ 22*3*1400mm, 압력:0.1MPa, (강선이 있는 투명비닐관으로써 흡입시 쭈그러들지말것)	8	개
37	고압호스	Φ 22*4.5*6000mm, 압력:0.1MPa, 고무관	8	개
38	고압호스	Φ 38*4*17400mm, 압력:0.1MPa, (강선이 있는 투명비닐관으로써 흡입시 쭈그러들지말것)	8	개
39	고압호스	Φ 85*5*5000mm, 압력:0.1MPa, (강선이 있는 투명비닐관으로써 흡입시 쭈그러들지말것)	8	개
40	고압호스	Φ 110*6*4500mm, 압력:0.1MPa, (강선이 있는 투명비닐관으로써 흡입시 쭈그러들지말것)	8	개
41	내산펌프	耐酸的, 2m <sup>3</sup> /h, 양정높이5m, 전동기포함, 내산성(매질이 초산 또는 질산)	8	대
42	물펌프	4m <sup>3</sup> /h, 양정높이10m, 압력0.1MPa 단상220V, 전동기포함	8	대
43	물려과기	4m <sup>3</sup> /h, Φ 100*500mm정도 임, 물펌프에서 려과된 물이 음료수정도이어야 함.	8	대
44	공기압축기	배기량:0.9m <sup>3</sup> /min, 압력0.9Mpa, 3상, 380V/50Hz, 이동식	8	대
45	유면계	Φ 20*3-380mm, 유기유리	8	개

46	인공계	입력0.1MPa	8	개
47	관조임띠	불수강 Φ22	64	개
48	관조임띠	불수강 Φ38	384	개
49	관조임띠	불수강 Φ85	64	개
50	관조임띠	불수강 Φ110	48	개
51	볼트, 나트조	불수강, M12*85mm, 용수자리쇠포함	960	조
52	볼트	불수강, M12*20mm, 용수자리쇠포함	960	개
53	규소강판	50w470, 두께0.5mm, 너비1200mm, 무방향성, 전동기생산용	3.5	t
54	케블지	두께0.08mm*C, 전동기생산용	0.35	t
55	케블지	두께0.05mm*C, 전동기생산용	0.28	t
56	폴리에스테르박막	두께 0.05mm,	0.3	t
57	볼베어링	6314(d70mm, D150mm, B35mm)	8	개
58	원통로라베어링	N314(d70mm, D150mm, B35mm, 분리형)	8	개
59	알루미늄괴	99.6%	0.2	t

March 2021 :

No	품명	규격	수량	단위	단가	금액
1	저탄망간철	Mn≥75%, C≤0.5%, Si≤2%, P≤0.03%, 랩도50mm	0.24	t		
2	환강	45강, Φ35mm	1.3	t		
3	환강	45강, Φ55mm	1.4	t		
4	환강	45강, Φ80mm	1.9	t		
5	환강	45강, Φ90mm	1.5	t		
6	환강	45강, Φ125mm	1.15	t		
7	환강	45강, Φ155mm	3	t		
8	환강	45강, Φ225mm	1.25	t		
9	내열내산환강	1Cr18Ni9Ti, Φ22mm	0.5	t		
10	내열내산환강	1Cr18Ni9Ti, Φ40mm	0.85	t		
11	합금환강	65Mn, Φ35mm	0.06	t		
12	강판	강3, ≠.4mm	0.3	t		
13	강판	강3, ≠.8mm	7.13	t		
14	강판	강3, ≠.16mm	1.7	t		
15	강판	강3, ≠19.5mm	3	t		
16	내열내산강판	1Cr18Ni9Ti, ≠4mm	7.6	t		
17	내열내산강판	1Cr18Ni9Ti, ≠5mm	2	t		
18	내열내산강판	1Cr18Ni9Ti, ≠8mm	4.2	t		
19	내열내산강판	1Cr18Ni9Ti, ≠10mm	0.8	t		
20	구형강	강3, □120*100*120*5mm	1	t		
21	산형강	강3, L75*75*5mm	1.7	t		
22	산형강	강3, L100*100*8mm	2.8	t		
23	산형강	강3, L140*140*10mm	5.7	t		
24	인발관	강3, Φ63*4mm	0.4	t		
25	인발관	강3, Φ150*10mm	0.5	t		
26	내열내산인발관	1Cr18Ni9Ti, Φ32*3mm	0.35	t		
27	내열내산인발관	1Cr18Ni9Ti, Φ108*4mm	0.16	t		

28	인원리수호	Φ220*5000mm	45	kg		
29	용접봉	J422, Φ4mm	0.8	t		
30	불수강용접봉	A102, Φ4mm	0.48	t		
31	원추로라베어링	7315(d75, D160, B37, T40mm)	16	개		
32	원추로라베어링	7312(d60, D130, B31, T33.5mm)	16	개		
33	웜감속기	NMRV200-4-32, AB형, 60Hz (전동기포함, 축간거리200mm, 전동기출력4kW, 감속비32) (참고: 축간거리200, 감속비 32, AB형이 기준요구임)	8	대		
34	자동발브蝶閥	P:1.6MPa, DN:40mm,	16	개		
35	자동발브蝶閥	P:1.6MPa, DN:80mm,	32	개		
34-1	자동발브 气法兰式蝶閥	P:1.6MPa, DN:40mm,	16	개		
35-2	자동발브 气法兰式蝶閥	P:1.6MPa, DN:80mm,	32	개		
36	고압호스	Φ22*3*1400mm, 압력:0.1MPa, (강선이 있는 투명비닐관으로써 흡입시 쭈그러들지말것)	8	개		
37	고압호스異径软管	외경Φ22, 내경Φ13*두께4.5*6000mm, 압력:0.1MPa, 고무관	8	개		
38	고압호스	Φ38*4*17400mm, 압력:0.1MPa, (강선이 있는 투명비닐관으로써 흡입시 쭈그러들지말것)	8	개		
39	고압호스	Φ85*5*5000mm, 압력:0.1MPa, (강선이 있는 투명비닐관으로써 흡입시 쭈그러들지말것)	8	개		
40	고압호스	Φ110*6*4500mm, 압력:0.1MPa, (강선이 있는 투명비닐관으로써 흡입시 쭈그러들지말것)	8	개		
41	내산펌프酸泵	耐酸的, 2m³/h, 양정높이5m, 전동기포함, 내산성(매질이 초산 또는 질산)	8	대		
42	물펌프	4m³/h, 양정높이10m, 압력0.1MPa 단상220V, 전동기포함	8	대		
43	물러과기	4m³/h, Φ100*500mm정도 임, 물펌프에서 러과된 물이 음토수정도이어야 함.	8	대		
44	공기압축기	배기량:0.9m³/min, 압력0.9Mpa, 3상, 380V/50Hz, 이동식	8	대		
45	유면계	Φ20*3-380mm, 유기유리	8	개		
46	진공계	압력0.1MPa	8	개		
46-1	진공계耐震压力	압력0.1MPa	8	개		
47	관조임띠	불수강 Φ22	64	개		
48	관조임띠	불수강 Φ38	384	개		
49	관조임띠	불수강 Φ85	64	개		
50	관조임띠	불수강 Φ110	48	개		
51	볼트, 나트조	불수강, M12*85mm, 용수자리쇠포함	960	조		
52	볼트	불수강, M12*20mm, 용수자리쇠포함	960	개		
53	규소강판	50w470, 두께0.5mm, 너비1200mm, 무방향성, 전동기생산용	3.5	t		
54	케블지	두께0.08mm*C, 전동기생산용	0.35	t		
		두께0.05mm*C, 전동기생산용	0.28	t		

57	볼베어링	6314(d70mm, D150mm, B35mm)	0.3	t	
58	원통로라베어링	N314(d70mm, D150mm, B35mm, 분리형)	8	개	
59	알루미늄괴	99.6%	0.2	t	

April 2021 :

번호	품명	규격	수량	단위	단가
1	저탄망간철	Mn≥75%, C≤0.5%, Si≤2%, P≤0.03%, 립도50mm, GB/T 3795-1996	0.24	t	2160
2	환강	45강, Φ35mm, GB/T699-1999	1.3	t	1185
3	환강	45강, Φ55mm	1.4	t	910
4	환강	45강, Φ80mm	1.9	t	1230
5	환강	45강, Φ90mm	1.5	t	955
6	환강	45강, Φ125mm	1.15	t	955
7	환강	45강, Φ155mm	3	t	1275
8	환강	45강, Φ225mm	1.25	t	1320
9	내열내산환강	1Cr18Ni9Ti, Φ22mm, SUS304	0.5	t	3165
10	내열내산환강	1Cr18Ni9Ti, Φ40mm, SUS304	0.85	t	3125
11	합금환강	65Mn, Φ6mm, GB/T 13304	0.07	t	1215
12	강판	강3, ≠.4mm, Q235	0.3	t	1165
13	강판	강3, ≠.8mm, Q235	7.13	t	1165
14	강판	강3, ≠.16mm, Q235	1.7	t	1150
15	강판	강3, ≠19.5mm, Q235	3	t	1150
16	내열내산강판	1Cr18Ni9Ti, ≠4mm, SUS304	7.6	t	3110
17	내열내산강판	1Cr18Ni9Ti, ≠5mm, SUS304	2	t	3110
18	내열내산강판	1Cr18Ni9Ti, ≠8mm, SUS304	4.2	t	3110
19	내열내산강판	1Cr18Ni9Ti, ≠10mm, SUS304	0.8	t	3110
20	구형강	강3, ≡ 120*100*120*5mm, Q235	1	t	1150
21	산형강	강3, ≡ 75*75*5mm, Q235	1.7	t	1110
22	산형강	강3, ≡ 100*100*8mm, Q235	2.8	t	1110
23	산형강	강3, ≡ 140*140*10mm, Q235	5.7	t	1135
24	인발관	강3, Φ83*4mm, Q235	0.4	t	1230
25	인발관	강3, Φ150*10mm, Q235	0.5	t	1210
26	내열내산인발관	1Cr18Ni9Ti, Φ32*3mm, SUS304	0.5	t	3325
27	내열내산인발관	1Cr18Ni9Ti, Φ108*4mm, SUS304	0.16	t	3265
28	사블화수지봉	Φ220*5000mm	0.045	t	
29	용접봉	J422, Φ4mm	0.8	t	1160
30	불수강용접봉	A102, Φ4mm	0.48	t	3375
31	원추로라베어링	7315(d75, D160, B37, T40mm), 30315	16	개	23
32	원추로라베어링	7312(d60, D130, B31, T33.5mm), 30312	16	개	10
33	감속기 (정확치 포함)	NMRV-40-AB-B8-4KW-B3, 감속비 32, 정동기 4KW 포함	8	대	450

34	자동발브	Q641F-16P, P:1.6MPa, DN:40mm, 공기자동식	16	개	210
35	자동발브	Q641F-16P, P:1.6MPa, DN:80mm, 공기자동식	32	개	336
36	고압호스	φ22*3*1400mm, 압력:0.1MPa, (강선이 있는 투명비닐관으로써 흡입시 쭈그러들지말것)	8	개	1.3
37	고압호스	외경φ22, 내경φ13*두께 4.5*6000mm, 압력:0.1MPa, 고무관	8	개	1.08
38	고압호스	φ38*4*17400mm, 압력:0.1MPa, (강선이 있는 투명비닐관으로써 흡입시 쭈그러들지말것)	8	개	6.6
39	고압호스	φ85*5*5000mm, 압력:0.1MPa, (강선이 있는 투명비닐관으로써 흡입시 쭈그러들지말것)	8	개	15.3
40	고압호스	φ110*6*4500mm, 압력:0.1MPa, (강선이 있는 투명비닐관으로써 흡입시 쭈그러들지말것)	8	개	21.3
41	내산펌프 (전동기포함)	FS32X25-11, 4m <sup>3</sup> /h, 양정높이11m, 전동기0.75kw포함, 내산성 (매질이 초산 또는 질산)	8	대	195
42	물펌프(전동기포함)	SL-1100C, 4m <sup>3</sup> /h, 양정높이10m, 압력0.1MPa 단상220V, 전동기 1.1kw포함, DN:40	8	대	250
43	물려과기	SLY-10P 4m <sup>3</sup> /h, 물펌프에서 려과된 물이 음료수정도이어야 함. DN:40	8	대	350
44	공기압축기	W-0.9/16, 배기량:0.9m <sup>3</sup> /min, 압력0.9Mpa, 3상, 380V/50Hz, 이 동식	8	대	1224
45	유면계	YWZ-350T, φ20*3-380mm, 유기유리 φ20*3-길이380mm	8	개	10
46	진공계	Y-100, 압력0.1MPa	8	개	5
47	관조임피	불수강φ22	64	개	0.05
48	관조임피	불수강φ38	384	개	0.08
49	관조임피	불수강φ85	64	개	0.15
50	관조임피	불수강φ110	48	개	0.2
51	볼트, 나트조	SUS304, M12*85mm, 용수자리쇠포함	960	조	0.51
52	볼트	SUS304, M12*20mm, 용수자리쇠포함	960	개	0.123
53	규소강판	50w470, 두께0.5mm, 너비1200mm, 무방향성, 전동기생산용	3.5	t	1715
54	케블지	두께0.08mm*C, 전동기생산용	0.35	t	2200

55	케블지	두께0.05mm±C, 전동기생산용	0.28	t	2200
56	폴리에스테르박막	두께 0.05mm, 자호없음	0.3	t	3300
57	볼베어링	6314(d70mm,D150mm,B35mm)	8	개	8
58	원통로라베어링	N314(d70mm,D150mm, B35mm,분리형)	8	개	15
59	알루미늄괴	99.6%, GB/T1196-93	0.2	t	3250

Source: Member State

### **Annex 28a: Hai Zhou 168 (fka Smooth Sea 28)**

The *Hai Zhou 168*, formerly known as *Smooth Sea 28* (IMO: 8514045), was docked at a port area in Thailand from December 2016 to September 2018, based on data from a specialised maritime AI platform. During this time, the vessel underwent heavy modification work to its deck and superstructure (see figure annex 28a-1). This was likely in preparation for its transition to becoming the *Smooth Sea 22* (IMO: 9870991), a fraudulent vessel identity.

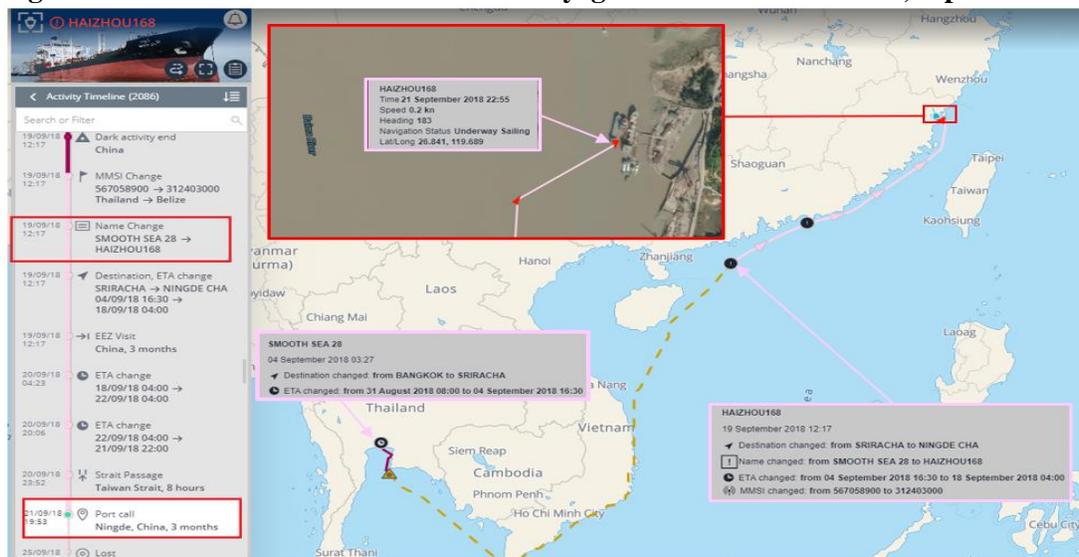
**Figure Annex 28a-1: Smooth Sea 28 undergoing heavy modification work from 2017 to 2019**



*Source:* Google Earth Pro, annotated by the Panel

In August 2018, the vessel changed its name from *Smooth Sea 28* to *Hai Zhou 168* after coming under new ownership. Shortly afterwards, in September 2018, the vessel departed Thailand for a shipyard in Ningde in Fu'an, China (see figure annex 28a-2). This was the same shipyard the *Mouson 328* (IMO: 9021198) was located before it took on the new fraudulent identity of the Dominica-flagged *Cherry 19*.

Figure Annex 28a-2: *Hai Zhou 168*'s location voyage from Thailand to China, September 2019



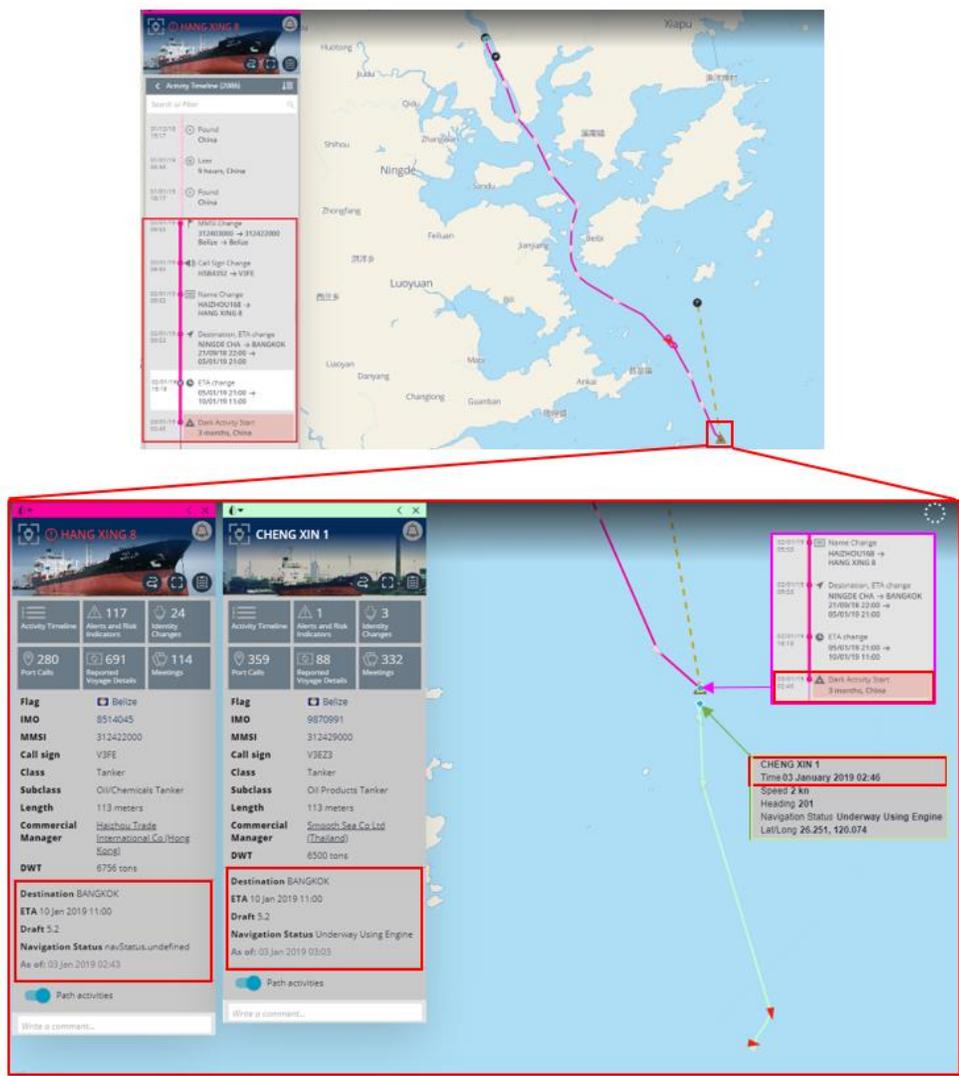
Source: Windward, annotated by the Panel

\*Coordinates of vessel in inset satellite imagery: 26° 50' 27.6" 119° 41' 20.3994"

The vessel was given a new identity and IMO number as *Smooth Sea 22* (IMO: 9870991) when it sailed back to Thailand, and where it has since sailed a domestic route.

On 2 January 2019, after over three months at the shipyard in Ningde, *Hai Zhou 168* changed its identifiers to *Hang Xin 8* as it sailed out of the Baima river where it was moored. *Hang Xin 8* appeared to update its vessel profile to the ‘newly built’ Belize-flagged *Cheng Xin 1* (IMO: 9870991) / *Smooth Sea 22* soon after departing the shipyard in Ningde, marking its changeover to a new vessel (see figure annex 28a-3).

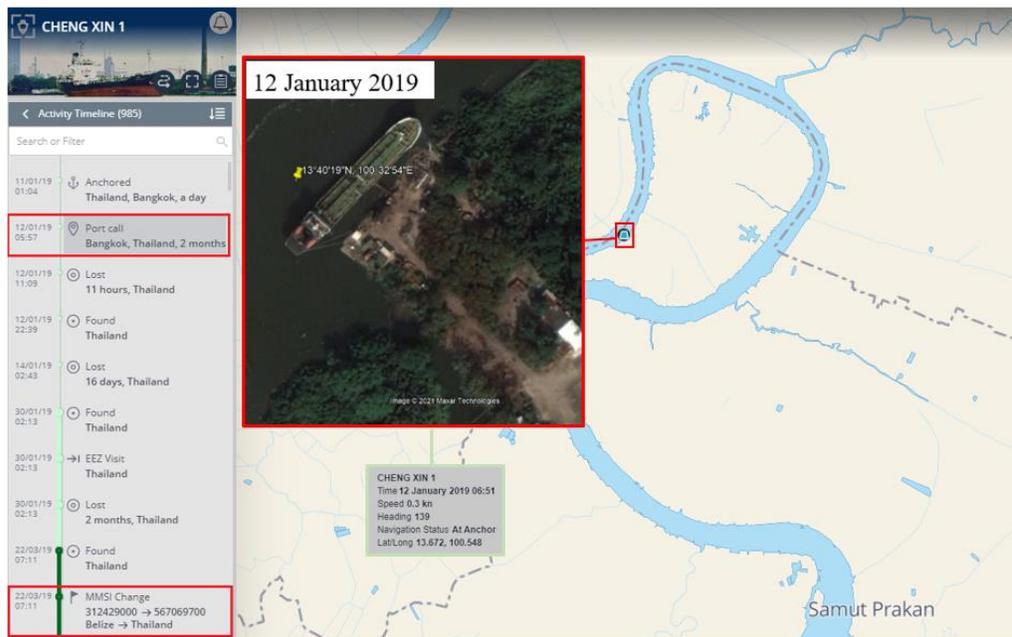
**Figure Annex 28a-3: January 2019 - *Hai Zhou 168* changed out its identifiers to become the ‘newly built’ *Cheng Xin 1***



Source: Windward, annotated by the Panel

By 12 January 2019, the *Cheng Xin 1* aka *Smooth Sea 22* berthed at the same dock the *Hai Zhou 168* was berthed in February 2018, Bangkok, before it sailed towards Ningde, China (see figure annex 28a-4).

**Figure Annex 28a-4: *Smooth Sea 22* back in Bangkok, Thailand**



Source: Windward, Google Earth, annotated by the Panel

The vessel laundering created an empty AIS identity slot which was subsequently filled occasionally by the *Subblic* (IMO 8126082), based on high resolution satellite imagery. The *Subblic* has been recommended by the Panel for designation for delivering unreported refined petroleum to the DPRK since 2019.

The *Subblic* is known to have used the *Hai Zhou 168's* AIS profile when the *Hai Zhou 168* recorded extended gaps in its AIS transmissions on all but two occasions of the *Subblic's* recorded dates of delivery.

A number of similarities arise when comparing with the Panel's previous investigations into *Mouson 328*. Both the *Mouson 328* and *Hai Zhou 168* were previously owned by the same entity, Smooth Sea Co., Ltd, sailing respectively as *Smooth Sea 29* and *Smooth Sea 28*. In both cases, the same shipyards in Thailand and in China appeared to have been used in the vessel identity

launder process. Both the *Mouson 328* and *Hai Zhou 168* took on a different identity after departing the Ningde shipyard. Maritime records indicated that the vessel *Smooth Sea 22* was recorded launched at Fujian Yihe Shipbuilding Industry Co., Ltd. This was the same shipyard that had reportedly carried out repair and maintenance work on *Rui Hong 916* (IMO: 9058866), following the vessel's acquisition from the Hong Kong incorporated Ruis (HK) Marine Co., Limited in January 2019. The Panel has recommended *Rui Hong 916* (IMO: 9058866) for designation to have conducted a ship-to-ship transfer with the DPRK vessel *Kum Un San* (IMO: 8720436) on 28 May 2019. The Panel is verifying additional information it has received concerning the sale of the *Rui Hong 916*.

Panel investigations indicated that both *Hai Zhou 168* and *Smooth Sea 22* were owned and managed by the Hong Kong-registered Cheng Xin Shipping Co. Ltd (hereafter "Cheng Xin Shipping") from January to March 2019. *Smooth Sea 22* is currently owned and managed by the Thailand-registered. Smooth Sea Co., Ltd, also the former owner and manager of *Hai Zhou 168* when it sailed as *Smooth Sea 28*.

The Panel is awaiting Thailand's response to its enquiries.

Cheng Xin Shipping has yet to respond to the Panel's enquiries.

China responded:

## **1. Vessels**

### **(1) OC.73, OC.160**

On *Diamond 8* transmitting as *Changshun 8*, according to China's investigation, the flag state of *Diamond 8* is Mongolia, while *Changshun 8* is a Honduras vessel previously named as *Honduras/Bonvoy 6*. These two vessels are of different types, therefore it's difficult for them to transmit as each other. Since 2020, neither of the two vessels has entered Chinese ports.

On *Subblic* transmitting as *Hai Zhou 168*, according to China's investigation, neither of the two vessels has entered Chinese ports since 2020.

Source: The Panel

**Annex 28b: Note verbale from the Permanent Mission of the Kingdom of Thailand**

No. 56101/104



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 Coordinator's Letter No. S/AC.49/2020/PE/OC.320 dated 10 November 2020, requesting information related to the Panel's investigation on suspected sanctions evasion involving the vessel "Mouson 328", 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 assurance of its highest consideration.

Permanent Mission of Thailand  
to the United Nations, New York  
18 February B.E. 2564 (2021)



Panel of Experts established pursuant to Security Council Resolution 1874 (2009),  
NEW YORK.

Attachment

**Information requested by  
the Panel of Experts established pursuant to UNSC resolution 1874 (2009)  
as per the Panel of Experts' Note No. S/AC.49/2020/PE/OC.320  
dated 10 November 2020**

The Royal Thai Government investigated the activities involving the vessel(s) *Mouson 328* and *Smooth Sea 29* or *Cherry 19* and wishes to inform the Panel of Experts (POE) as follows:

1. Registry of the *Mouson 328*

There is insufficient evidence to confirm the connection of the vessel *Mouson 328* to either *Cherry 19* or *Smooth Sea 29*, both in terms of IMO numbers or registry.

2. Information on Flag Registry *Smooth Sea 29* is an oil tanker, registered as a Thai vessel with the registry number 630001113 and IMO number 9896945. *Smooth Sea 29* was formerly registered as *Cherry 19* under the Dominica's registry. Further investigation found that the Certificate of Deletion of *Cherry 19* submitted upon its registration to the Thai authorities is suspected to be forged. Presently, the Thai authorities are reexamining the registry of *Smooth Sea 29* with the possibility to revoke its registration.

3. Location of *Smooth Sea 29* from November 2019 to present

*Cherry 19* departed Ningde Port, Fujian, China and arrived at Wangchao Port, Bangkok, Thailand on 28 November 2019. On 24 June 2020, *Cherry 19* was registered as a Thai vessel under the name *Smooth Sea 29*. After the registration, on 30 June 2020, *Smooth Sea 29* departed Wangchao Port, Bangkok, and arrived at Samut Songkhram Port, Samut Songkhram Province on 2 July 2020. On 26 November 2020, the vessel departed Samut Songkhram Port and arrived at Chonburi Port, Chonburi Province, on 27 November 2020. The vessel has since then been anchored at Ao Udom Port, Chonburi Province and has submitted the notice on non-usage of vessel to the Thai Marine Department on 21 December 2020.

4. Lost AIS Signal of *Cherry 19* and *Smooth Sea 29*

4.1 From November 2019 - June 2020, *Cherry 19* was docked at Wangchao Port, Bangkok for repair and maintenance at Whanchao Shipyard Co., Ltd. The vessel therefore had been anchored at the Wangchao Port on Chao Phraya River for 7 months.

4.2 From July - October 2020, *Smooth Sea 29* was docked at Ruammitr Dockyard Co., Ltd.'s Port for additional maintenance. During this period, the vessel's engines and electric generators were turned off, causing the lost of AIS signal. Later in October 2020, Brilliant Performance Co., Ltd. was hired to repair the AIS signal system.

4.3 From November 2019 - October 2020 *Cherry 19* or *Smooth Sea 29* has not been used for any shipments.

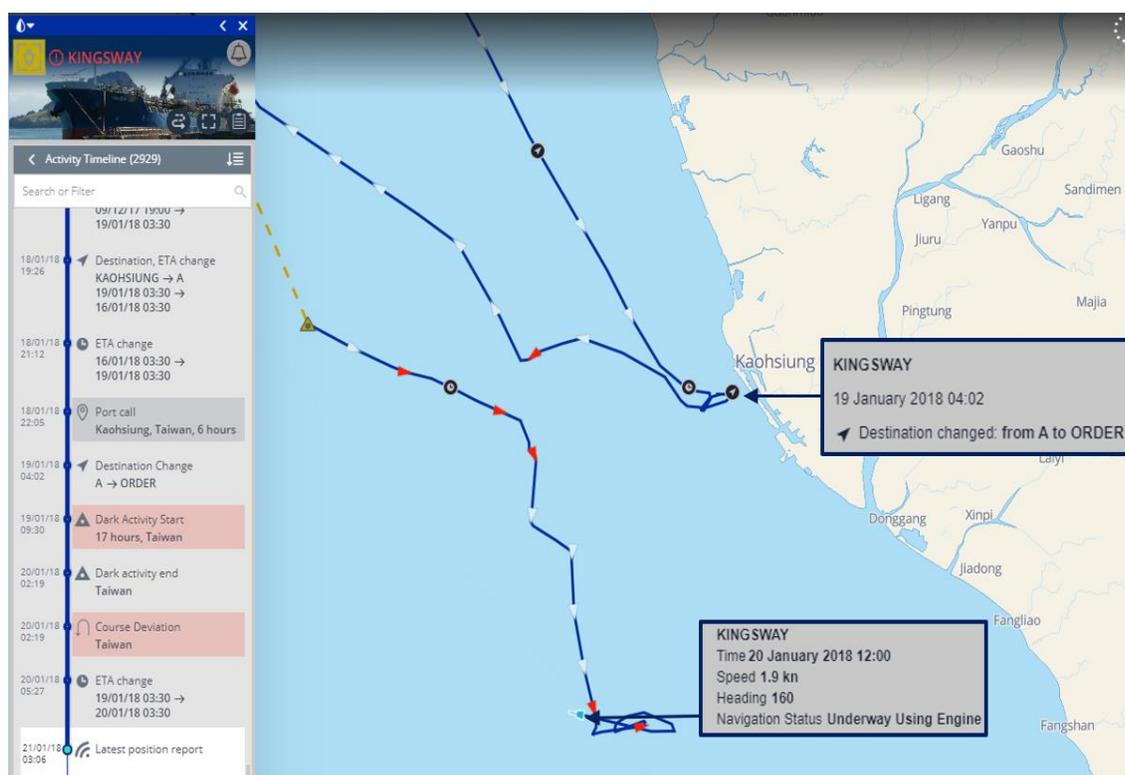
\* \* \* \* \*

Source: Member State

### Annex 29a: *Billions No.18* (aka *Kingsway*)

The *Billions No.18* (IMO: 9191773) was designated on 28 December 2017 for having conducted a ship-to-ship transfer of refined petroleum with the DPRK tanker *Rye Song Gang 1* (IMO: 7389704) in October 2017. The Panel had reported that the owner and sole shareholder of *Billions No.18*, (the late) Chen Shih-Hsien, had also sought to supply marine diesel together from other tankers to DPRK tankers<sup>11</sup>. A month later in January 2018, *Billions No.18* re-transmitted briefly as *Kingsway* under the same IMO number (IMO: 9191773) before its AIS transmission disappeared (see figure annex 29a-1). The vessel was listed as de-registered from the Mongolia ship registry in June 2021.

**Figure Annex 29a-1: *Billions No.18* briefly transmitting as *Kingsway* following designation, January 2018**



Source: Windward, annotated by the Panel

<sup>11</sup> Chen was reported to be the owner of *Billions No.18* and two other tankers that were contracted to supply an additional 95,000 metric tons of fuel over the course of nine shipments to the same entity that purchased the fuel supplied to the *Rye Song Gang 1*. S/2018/171.

Following its designation, the vessel swapped into a new fraudulent identity as the Mongolia-flagged *Apex* (IMO: 8528864). The Panel obtained evidence of an identity laundering operating in which the entities behind *Kingsway* likely submitted fraudulent IMO number application documentation, modified its physical appearance, and tampered with its AIS transmission in order to disguise *Kingsway* as the *Apex*.

Panel investigations indicated that the vessel's laundering process likely began when the *Apex*'s IMO number was created when the vessel changed ownership from the Chinese registered Taizhou Zhesheng Shipping Co Ltd to the Belize-incorporated Better Smart Ltd in mid-2018. The vessel also changed its registry and name from the China-flagged *Zhe Sheng 26* to Mongolia-flagged *Uni Wealth*.

Panel analysis of various photographs of the *Uni Wealth* and *Zhe Sheng 26* taken from online shipping websites show two vessels with very different structures that confirms that the *Uni Wealth* is not the same vessel as *Zhe Sheng 26* as claimed. *Uni Wealth* was therefore a fraudulent identity used as a cover for the *Kingsway*. In late 2018, *Uni Wealth*, still owned and operated by Better Smart Ltd, was re-named *Apex* at Keelung port area (see figures annex 29a-2 and 29a-3).

The Panel wrote to Taizhou Zhesheng Shipping Co Ltd, inter alia, seeking documentation on the vessel's sale. The Panel has yet to receive a response from the company.

Figure Annex 29a-2: Apex voyage route and identifiers, July to November 2018

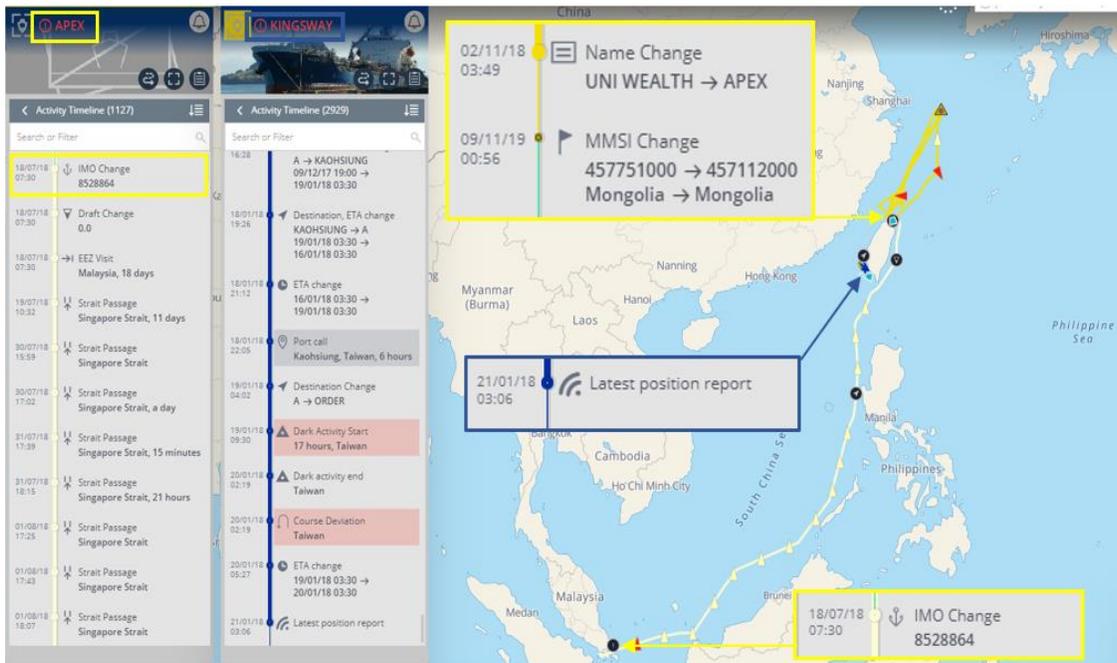
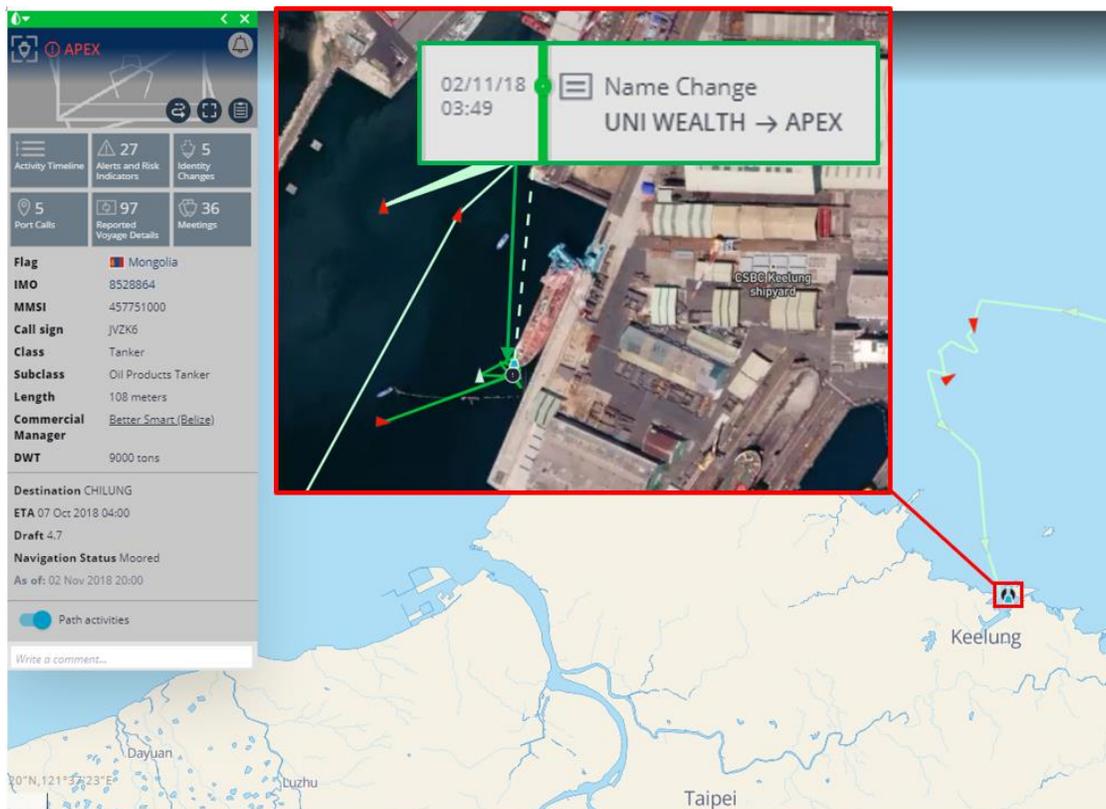


Figure Annex 29a-3: Change of vessel from Uni Wealth to Apex, 2 November 2018



Source: Windward, annotated by the Panel

Between 2019 to 2021, *Apex* conducted voyages in the East China Sea and South China Sea. While in waters near the Singapore Strait on 9 November 2019, the vessel transmitted a name change to *Shun Fa*. While maritime databases showed *Apex* transmitting the name *Shun Fa* in November 2019, official records<sup>12</sup> continued to register the vessel sailing as *Apex*. Maritime tracking databases show the *Shun Fa* sailed between the East China Sea and South China Sea between November 2019 till end of 2020 without recording any port calls. The vessel exhibited suspicious behavior with periods of unaccounted dropped AIS transmissions and loitering in mid-sea locations for several days. These signatures indicate that *Shun Fa* had likely conducted ship-to-ship activities with other vessels. Online photographs of the vessel taken in January 2021 show *Shun Fa* painted on the vessel's stern.

Better Smart Ltd, a company incorporated in Belize<sup>13</sup> with a domiciled business address at Kaohsiung, is the entity that owned and operated *Apex* since mid-2018 when the vessel was sailing as the Mongolia-flagged *Uni Wealth*. The sole Director of Better Smart Ltd is Mr Chen Chao-Jung<sup>14</sup>. Information the Panel has reviewed indicates the vessel was likely laundered in mid-2018.

A Malaysia registered entity, Yong An Shipping Sdn Bhd (hereafter "Yong An Shipping") , provided, *inter alia*, corporate registry services to Better Smart Ltd / Mr. Chen. The Panel wrote to Yong An Shipping seeking relevant information and documentation on the ship as well as services rendered to Mr. Chen, as well as the latter's contact information.

Mongolia responded with information and documentation concerning the *Shun Fa (aka Apex)* showing the vessel had changed ownership a few times, with such ownership changes not updated on maritime databases (see also annexes 29b and 29c).

Yong An Shipping has yet to respond to the Panel's enquiries.

Mr. Chen has yet to respond to the Panel's enquiries.

Belize has yet to respond to the Panel's enquiries.

*Source:* The Panel

<sup>12</sup> IMO website.

<sup>13</sup> Better Smart Ltd is currently listed as inactive based on information from Belize Corporate registry.

<sup>14</sup> IHS Markit.

Annex 29b: Extract of *Shun Fa*'s registration application form showing vessel ownership

CC

**MONGOLIA**  
MONGOLIA MARITIME ADMINISTRATION

Application to Register a Ship  
(Form M1)

Chapter 3 of the Regulations for Registration of ship 2003

CC

Mongolia Ship Registry Pte Ltd  
133 New Bridge Road  
#16-02 Chinatown Point  
Tel: (65) 6226 0125  
Fax: (65) 6225 0305  
Email:  
operation@mngship.org  
WebSite: www.mngship.org

## A. SHIP'S PARTICULARS

Ship Name (for registration) SHUN FA	Type of Ship OIL TANKER	Year Built 1998	Keel Laid 1998
Place / Country Built CHINA	IMO Number of Ship 8528864	Gross Tonnage 8830	National Gross Tonnage N/A
Net Tonnage 1750	National Net Tonnage N/A	Deadweight -	Hull Material (steel, etc) STEEL
Length of Ship (Metres) <sup>a</sup> LOA 168.20	Breadth (Metres) 18.60	Moulded Depth (Metres) 10.60	Moulded Draught (Metres)
Builder's Name ZHEJIANG HONGGUAN SHIPBUILDING CO LTD, CHINA			Previous Registry MONGOLIA
Previous Owner NEW EAST INVESTMENT INC			Ship Name (in Previous Registry) APEX

## B. SHIP VOYAGE INFORMATION

Sea Area A1 + A2 + A3	Trading Area UNLIMITED
For special registration, please fill in the following information. Voyage Limitations	
Port of Departure	Port of Arrival
Estimate Date of Departure	Estimate Date of Arrival

## C. OWNER'S PARTICULARS

Name JOY WEALTHY TRADING LIMITED	IMO Number of Owner
	Name of Person in Charge EDISON
Address ROOM 05, LEVEL 12, LANDMARK NORTH, 39 LUNG SUM AVENUE, SHEUNG SHUI, HONG KONG	Telephone
	Facsimile
	E-mail

<sup>a</sup> Length of ship (LOA) – Overall length of the ship.  
Length of ship (ITC-69) – Length of the ship as defined under International Tonnage Convention

Source: Member State



### Annex 30a: *Diamond 8*'s (IMO: 9132612) fraudulent transmissions

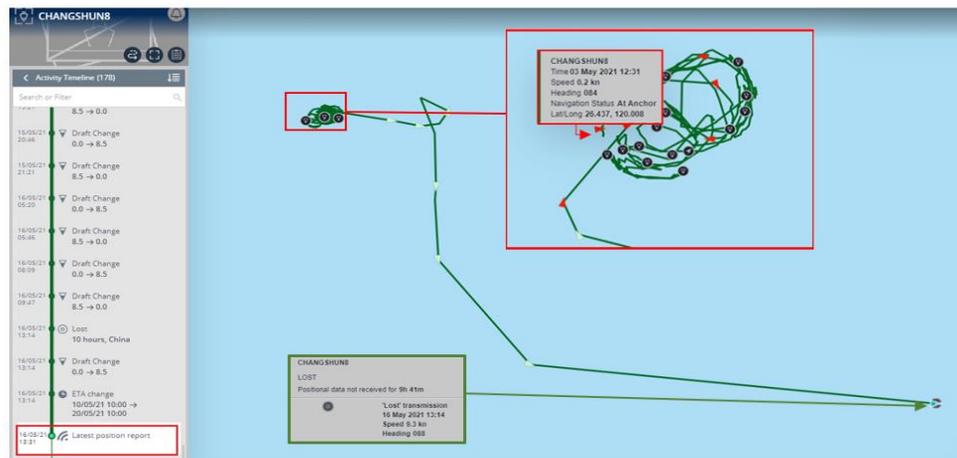
Satellite imagery obtained by the Panel showed *Diamond 8* in the Ningde anchorage area on 30 April 2021 (UTC) broadcasting as *Chang Shun 8* on a Mongolia-associated MMSI number: 457222000, where the vessel remained in those waters at least into May 2021 (see figure annex 30a-1 and 30a-2).

**Figure Annex 30a-1: Satellite Imagery of the *Diamond 8* (IMO: 9132612) as the ‘*Chang Shun 8*’ near Ningde, China, on 30 April 2021 (UTC)**



Source: Member State

**Figure Annex 30a-2: A specialized maritime AI platform display showing the location of the *Diamond 8* transmitting as *Chang Shun 8* (MMSI: 457222000), May 2021**



Source: Windward, Annotation: The Panel

Annex 30b: Note verbal from Mongolia on *Chang Shun 8*

## MONGOLIA

### PERMANENT MISSION TO THE UNITED NATIONS

6 East 77th Street, New York, N.Y. 10075  
Tel: (212) 861-9460, Fax: (212) 861-9464

NUB/33/2021

The Permanent Mission of Mongolia to the United Nations presents its compliments to the Panel of Experts established pursuant to Security Council Resolution 1874 (2009) and has the honour to transmit information on vessel CHANGSHUN 8 (MMSI:457222000).

The vessel CHANGSHUN 8 was registered to the Mongolian Maritime Administration on 04 September 2020 and excluded from the registration on 24 December 2020 by the reason of possible violation of the relevant resolution of UNSC.

During its registration period CHANGSHUN 8 was using communication number MMSI 457 222 000.

The Permanent Mission of Mongolia 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.

Necessary documentations are enclosed herewith.



United Nations Security Council  
Panel of Experts established pursuant to the resolution 1874 (2009)  
New York



Annex 31: *Bonvoy 3* (aka *Fu Shun 3*)

MONGOLIA MONGOLIA MARITIME ADMINISTRATION			
<b>PROVISIONAL CERTIFICATE OF REGISTRY</b>			
Issued under the provisions of Chapter 3 of the Regulations for Registration of Ships 2003			
Official Number 49112088	Call Sign JVPK7	IMO Ship Number 8714085	
Name of Vessel <b>FU SHUN 3</b>			
Name and Address of Owner LU CHANG SHIPPING (HK) CO.,LTD Shop F28 1/F, Cathay Pacific 88 Malls, No.25 Wanchai Rd, Wanchai, Hong Kong.		IMO Registered Owner Number 6177286	Shares (%) 100
Description of Vessel			
Type of Vessel Oil Tanker	Year of Built 1988	Hull material Steel	Previous Registry / Name Sierra Leone / BONVOY 3
Gross Tonnage 2385	Length(Metres) LOA - - ITC -- 84.50	Name of Builder Daedong Shipbuilding Co.,Ltd, Busan, Korea	
Net Tonnage 1120	Breadth(Metres) 13.60	Number of Engines 1	Type of Engine / Total Power (KW) Diesel / 1765
Deadweight -	Depth(Metres) 6.80	Speed of Vessel (Knots) 12.00	Engine Make / Model SSHI-Hanshin / 6EL-35
Date of Provisional Registry 06 November 2020	Port of Registry Ulaanbaatar	Date of Expiry 06 May 2021	
Issued at Singapore on 06 November 2020.			
The Registrar of the Mongolia Ship Registry, by the powers vested thereupon by the Regulations for Registration of Ships 2003, hereby authorizes this Provisional Registration of Vessel <b>FU SHUN 3</b> .			
			
MSR/PROV CR/REV.3/2010			

Source: Member State

**Annex 32: *Xing Ming Yang 888*'s (IMO: 8410847) fraudulent transmissions and red flag indicators**

The *Xing Ming Yang 888* (IMO: 8410847) has been intermittently broadcasting a fraudulent MMSI: 334191000, sailing as the Honduras-flagged *Vi Fin* since 2020. The vessel was previously reported by the Panel with prolonged periods of dark activity as well as transmitting on other fraudulent identifiers<sup>15</sup>. The vessel has been recommended by the Panel for designation for conducting ship-to-ship activity with the DPRK-flagged *Mu Bong 1* (IMO: 8610461) in June 2018<sup>16</sup>.

As a further red flag indicator, the *Xing Ming Yang 888* also used a fraudulent call-sign 9LU2843 that was formerly associated with another vessel that delivered refined petroleum to the DPRK, *Vifine* (IMO: 9045962). The *Vifine* was featured in the Panel's report for conducting ship-to-ship transfer with the *New Konk*, another direct delivery vessel. The Panel also highlighted the shared ownership and management links between the two vessels.

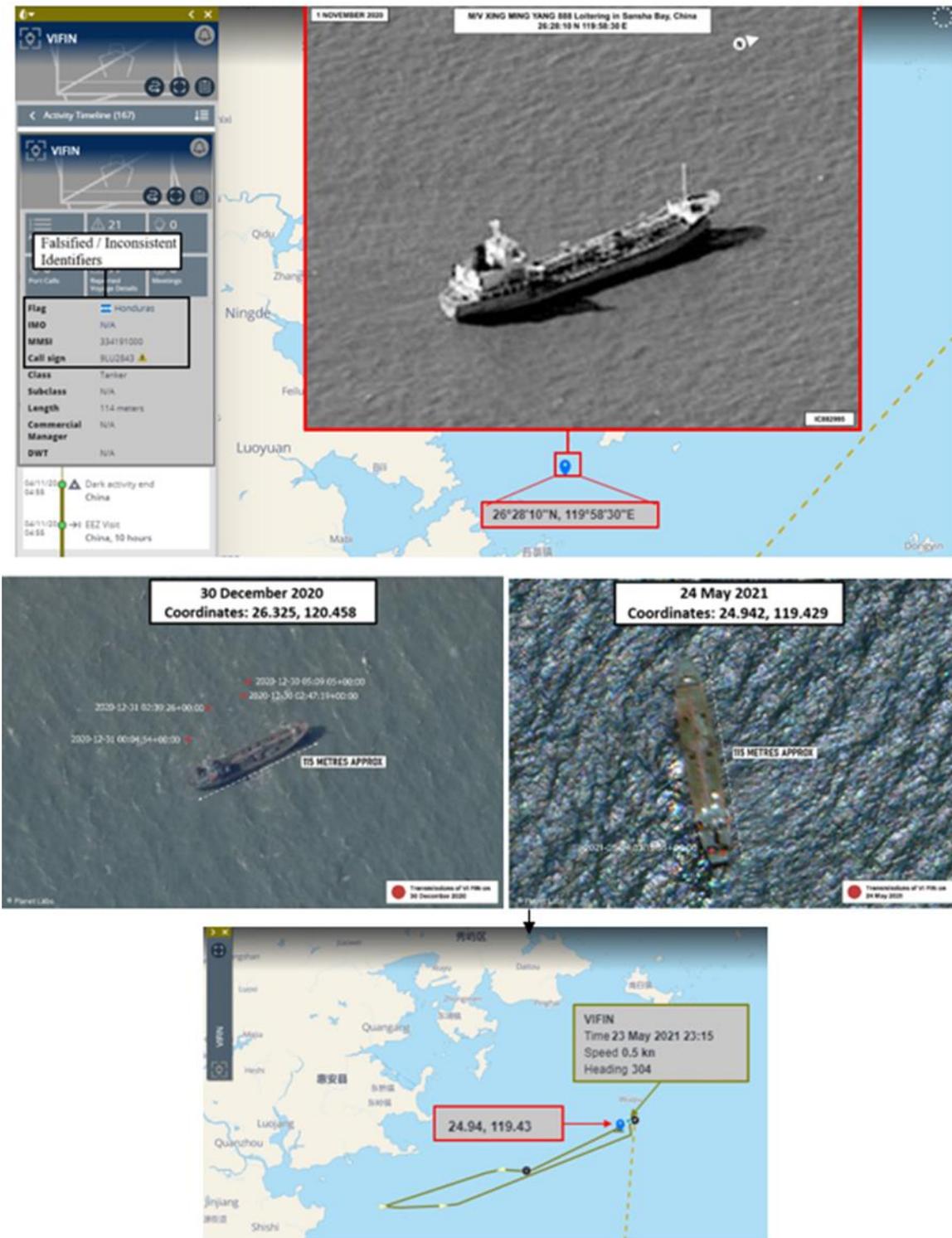
In May 2021, the vessel again transmitted as *Vi Fin*, a consistent pattern of deception it has exhibited since 2020 while in Chinese territorial waters (see figure annex 32-1). The *Xing Ming Yang 888* has been sailing stateless without a known registered flag since November 2018, subjecting it to maritime laws of the country whose territorial waters it is located in. These vessels can be investigated, detained or impounded under national law and under operative paragraph 9 of resolution 2397 (2017).

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<sup>15</sup> Paragraph 46 (f), S/2021/211.

<sup>16</sup> S/2021/211.

Figure Annex 32-1: *Xing Ming Yang 888* transmitting as *Vi Fin*, in November 2020, December 2020, and May 2021

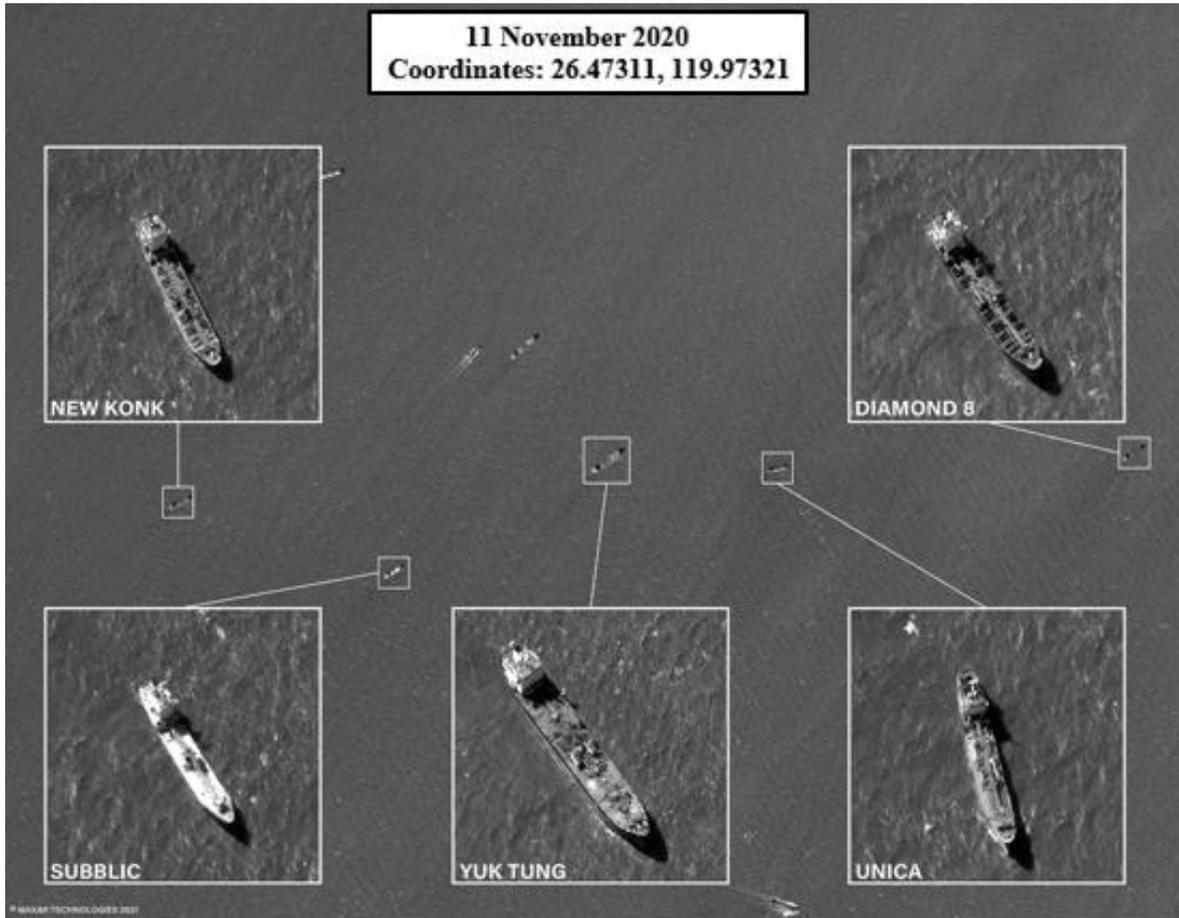


Source: Windward, annotated by the Panel, Satellite Imagery: Planet Labs and Member State

### Annex 33a: Locations frequented by direct delivery vessels

Many of the now de-flagged vessels previously recommended by the Panel for designation for direct delivery of refined petroleum to the DPRK on numerous occasions<sup>17</sup>, have been observed in Chinese territorial waters. The following are sample satellite imagery of vessels recommended for designation located in waters in the Ningde, China, between August 2020 and March 2021.

**Figure Annex 33a-1: Direct Delivery tankers at Sansha Bay, 11 November 2020**



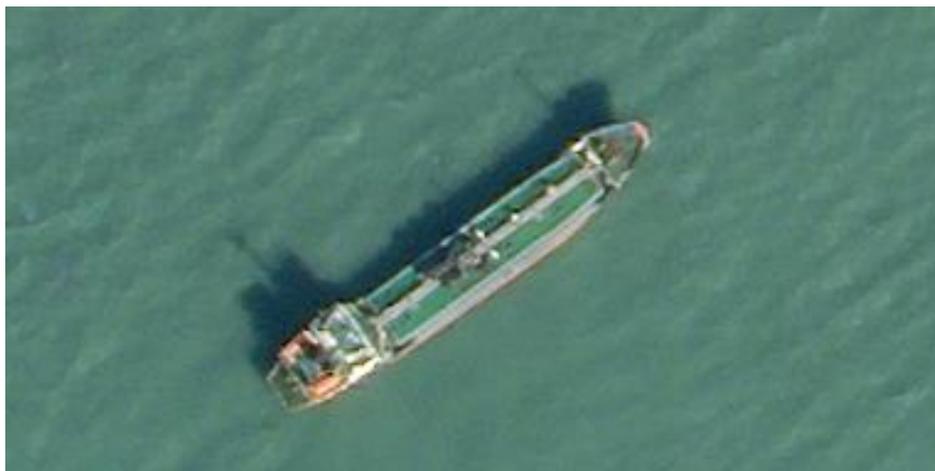
Source: Maxar Technologies and Member State

<sup>17</sup> S/2020/151, S/2020/840, S/2021/211.

Example of Direct Delivery vessels that frequent waters off Ningde

Satellite imagery showing the direct delivery<sup>18</sup> vessel *Bonvoy 3* (IMO: 8714085) anchored in Sansha Bay on 30 January 2021 and another satellite imagery capture of the vessel anchored again in Sansha Bay on 9 March 2021.

**Figure Annex 33a-2: *Bonvoy 3* at Sansha Bay, 30 January 2021**



Source: Planet Labs

**Figure Annex 33a-3: *Bonvoy 3* at Sansha Bay, 9 March 2021**

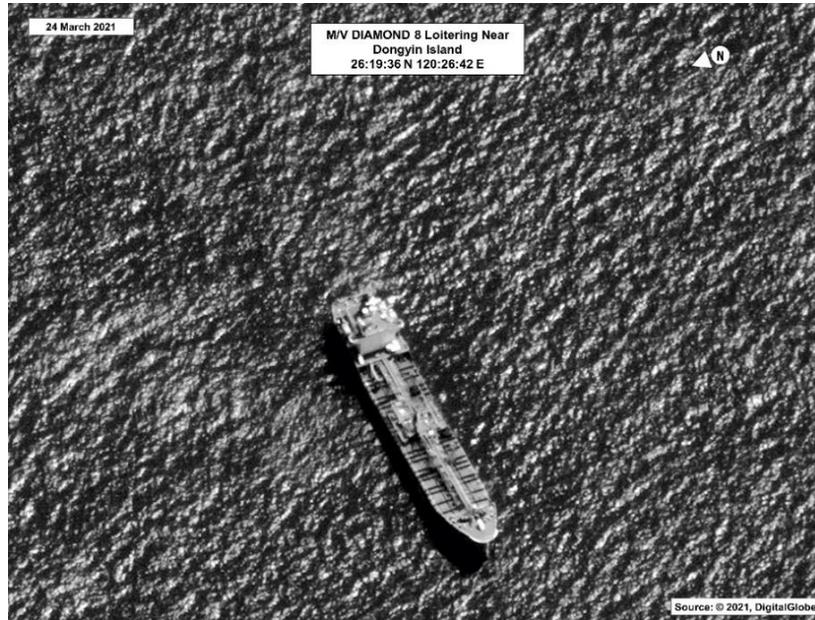


Source: Airbus Defence and Space and Member State

<sup>18</sup> This is a term the Panel has used for non-DPRK flagged vessels that deliver refined petroleum to the DPRK. The refined petroleum is procured including through ship-to-ship transfers.

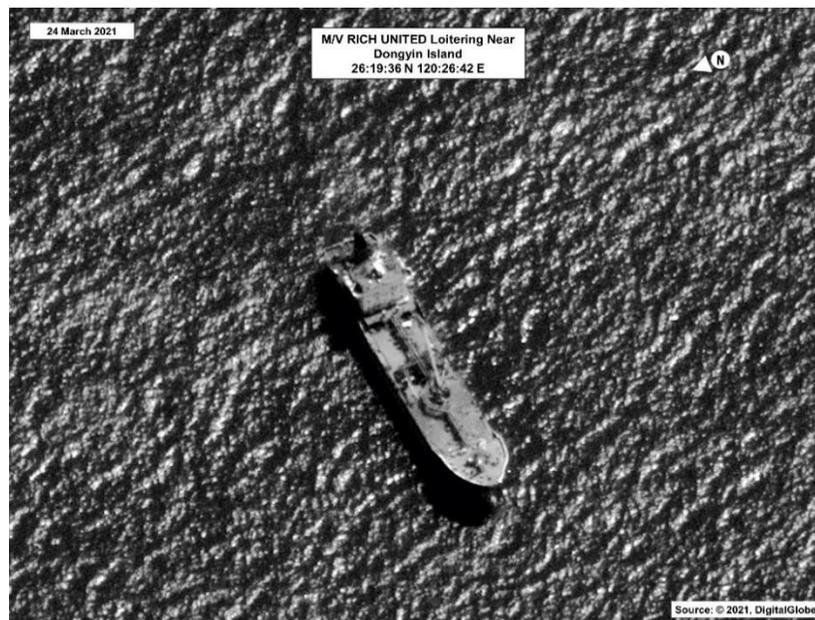
Satellite imagery on 24 March 2021 showing two direct delivery vessels, *Diamond 8* (IMO: 9132612) and *Rich United* (IMO: 9129213) near Dongyin Island.

**Figure Annex 33a-4: *Diamond 8* near Dongyin Island, 24 March 2021**



Source: Member State

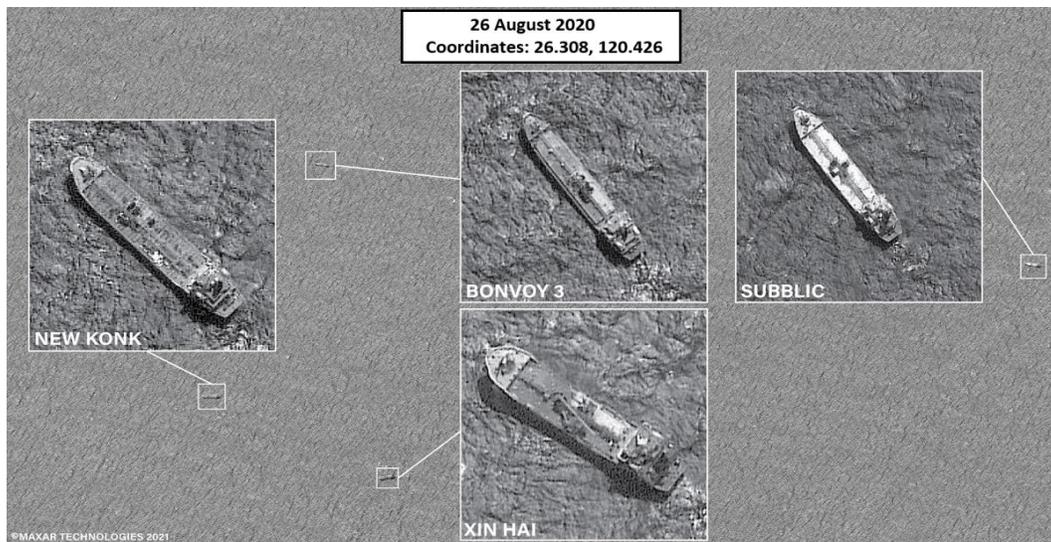
**Figure Annex 33a-5: *Rich United* near Dongyin Island, 24 March 2021**



Source: Member State

*Bonvoy 3*, along with other direct delivery vessels: *New Konk*, *Subblic* and *Xin Hai* near Dongyin Island on 26 August 2020.

**Figure Annex 33a-6: Direct Delivery tankers at Dongyin Island, 26 August 2020**



Source: Maxar Technologies and Member State

Satellite imagery on 27 March 2021 showing the designated vessel *Yuk Tung* (IMO: 9030591) near Xiyang Island, Ningde. The *Yuk Tung* was designated on 30 March 2018.

**Figure Annex 33a-7: *Yuk Tung* near Xiyang Island, 27 March 2021**



Source: Member State

Satellite imagery on 16 March 2021 showed the direct delivery vessel *New Konk* (IMO: 9036387) docked at a shipyard at Fu'an, Fujian Province, China. The coordinates show a shipyard in Fujian Province where Fujian Yihe Shipbuilding Industry Co Ltd is located<sup>19</sup>. This was the same coordinates reported by the Panel where both the *Mouson 328* (IMO: 9021198)<sup>20</sup> and *Hai Zhou 168* (IMO: 8514045) (see paragraphs 30 to 34), were located, as vessels that underwent vessel identity swaps.

**Figure Annex 33a-8: *New Konk* berthed at Fu'an, 11 March 2021**



Source: Member State

<sup>19</sup> Member State.

<sup>20</sup> Paragraphs 21 to 36 and Annex 22, S/2021/211.

### Annex 33b: Member State's list of vessels of interest entering China's waters, October 2020 to April 2021

DATE DD/MM/YY	VOI NAME	PLA VESSEL NAME	LAT/LONG
10/11/2020	AQUAMARINE	N/A	29:39N 122:45E
10/19/2020	MEGA PRINCESS	N/A	31:11N 123:57E
11/1/2020	HOKONG	N/A	28:00N 121:29E
11/9/2020	HAI SHUN	N/A	26:07N 120:32E
11/12/2020	BONVOY 3	N/A	26:19N 120:27E
11/20/2020	XING MING YANG 888	N/A	25:16N 119:52E
11/20/2020	POWER	N/A	27:34N 121:25E
11/29/2020	HENG RONG	N/A	25:15N 119:46E
12/10/2020	MOUSON 328	N/A	2405N 11851E
12/27/2020	XING MING YANG 888	N/A	2408N 11823E
1/1/2021	XING MING YANG 888	N/A	32:45N 122:31E
1/3/2021	PACIFIC PRINCESS	N/A	26:00N 120:00E
1/11/2021	MOUSON 328	N/A	31:05N 122:49E
1/14/2021	JOINT LUCK	N/A	29:00N 121:45E
1/18/2021	HAI ZHOU 168	N/A	26:00N 120:00E
1/20/2021	JOINT LUCK	N/A	26:16N 120:30E
1/21/2021	JOFFA	N/A	26:00N 120:00E
1/26/2021	INFINITE LUCK	N/A	26:16N 120:40E
2/17/2021	XINHAI	N/A	25:00N 119:22E
3/8/2021	HANG YU 8	N/A	27°00N121°30E
3/15/2021	POWER	FUCHI 890	27°00N121°30E
3/19/2021	HANG YU 8	N/A	27°00N121°30E
3/20/2021	PACIFIC PRINCESS	N/A	27°00N121°30E
3/22/2021	SUBBLIC	N/A	25°00N120°00E
3/31/2021	SAMJONG 2	N/A	31°30N123°00E
3/31/2021	SIN PYONG 2	N/A	31°30N123°00E
3/31/2021	AN SAN 1	N/A	31°30N123°00E
4/1/2021	XIN HAI	N/A	2618N 12025E
4/1/2021	JOFFA	N/A	2627N 12000E
4/2/2021	HANG YU 8	N/A	2936N 12145E
4/2/2021	SAMJONG 2	N/A	2818N 12200E
4/2/2021	HAI JUN	N/A	2628N 11959E
4/3/2021	SIN PYONG	N/A	3003N 12333E
4/3/2021	UN HUNG	N/A	2716N 12129E
4/3/2021	DIAMOND 8	N/A	2627N 11959E
4/15/2021	POWER EASY	N/A	2629N 12130E
4/22/2021	CHERRY 168	N/A	3100N 12330E

Unknown or unable to confirm info
StS Associated Vessel of Interest
Non-DPRK Delivery Vehicle
DPRK Tanker

**\*NOTE:**

- The vessels highlighted in yellow along with the vessels highlighted in orange denote non-DPRK vessels that delivered refined petroleum to the DPRK.
- The coordinates in green highlight denote approximate locations.

Source: Member State

To the Panel's enquiry into the *Diamond 8* seeking, *inter alia*, confirmation on the actual identity of the vessel transmitting on the Mongolia-associated MMSI 457222000, dates during which the vessel transmitted under the said MMSI and any actions conducted into the vessel pursuant to the relevant Security Council resolutions, including paragraph 9 of resolution 2397 (2017), China responded:

## **1. Vessels**

### **(1) OC.73, OC.160**

On *Diamond 8* transmitting as *Changshun 8*, according to China's investigation, the flag state of *Diamond 8* is Mongolia, while *Changshun 8* is a Honduras vessel previously named as *Honduras/Bonvoy 6*. These two vessels are of different types, therefore it's difficult for them to transmit as each other. Since 2020, neither of the two vessels has entered Chinese ports.

On *Subblic* transmitting as *Hai Zhou 168*, according to China's investigation, neither of the two vessels has entered Chinese ports since 2020.

To the Panel's enquiry concerning the rest of the vessels sought in the main text and this Annex into information on *inter alia*, on the DPRK vessels' activities, the identifiers on which the vessels were transmitting and the validity of those identifiers, as well as the vessels' dates, origin and destination, and their stated purpose in Chinese waters, China responded:

### **(5) OC.77, OC.154, OC.155, OC.157, OC.161**

According to China's verification, the vessel *Shunkai*, together with most vessels alleged to be delivering coal to China, and vessels suspected to be delivering refined petroleum products to the DPRK including *Sin Phyoung 2*, *An San 1*, *Aquamarine*, *Hai Shun* and *Xing Ming Yang 888* have not entered Chinese ports since 2020.

*Source:* The Panel

### **Annex 34: DPRK and DPRK-associated vessels transmitting fraudulent AIS identifiers in Ningbo-Zhoushan waters**

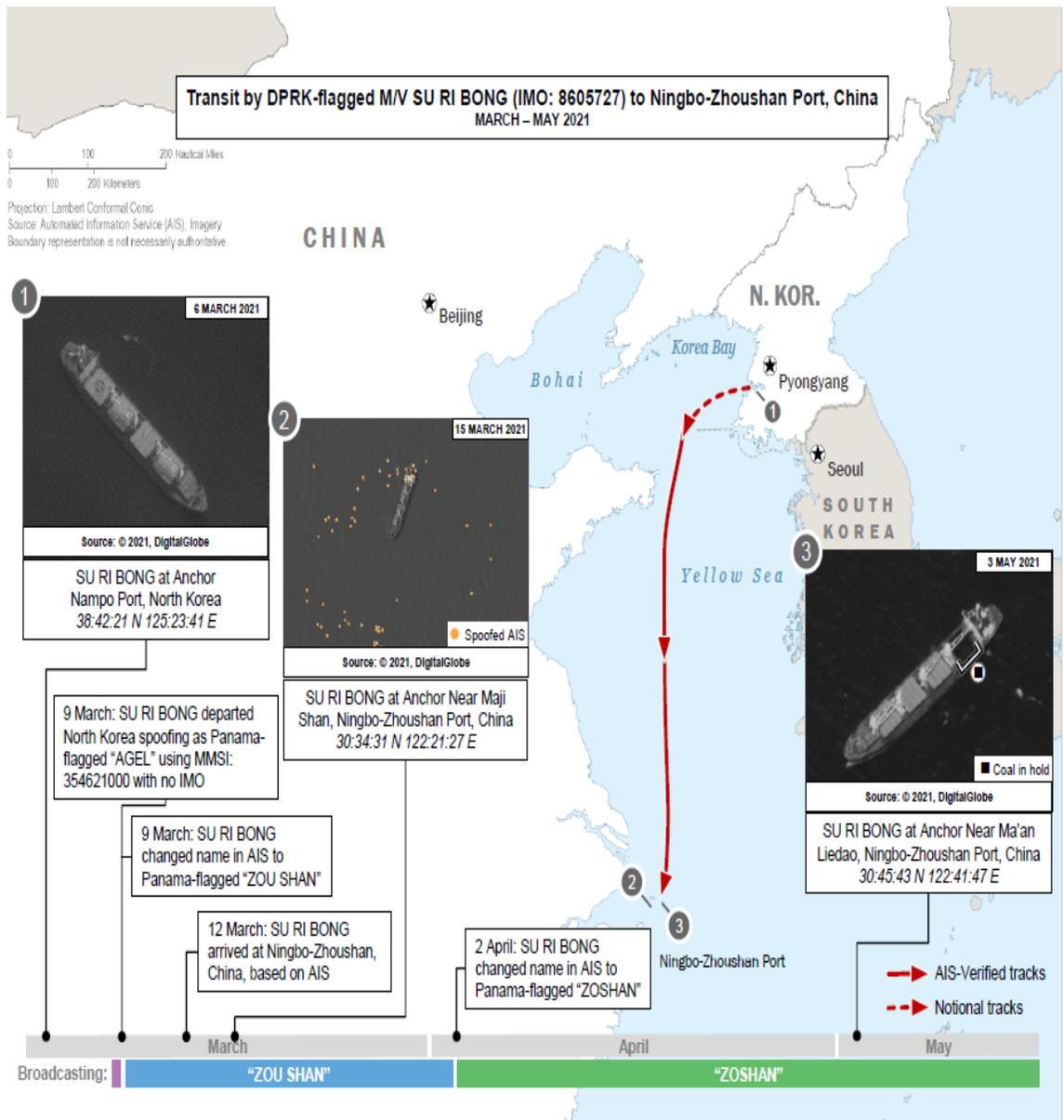
The Panel has observed on a specialized maritime tracking platform the transmission of fraudulent identifiers over AIS by DPRK and other suspect vessels seeking to evade sanctions that have affected multiple flag registries. The Panel has shared its observations along with supplementary high-resolution satellite imagery from a Member State, with the flag registries in question. The Panel welcomed any additional observations the relevant flag state authorities may have concerning the issue at hand.

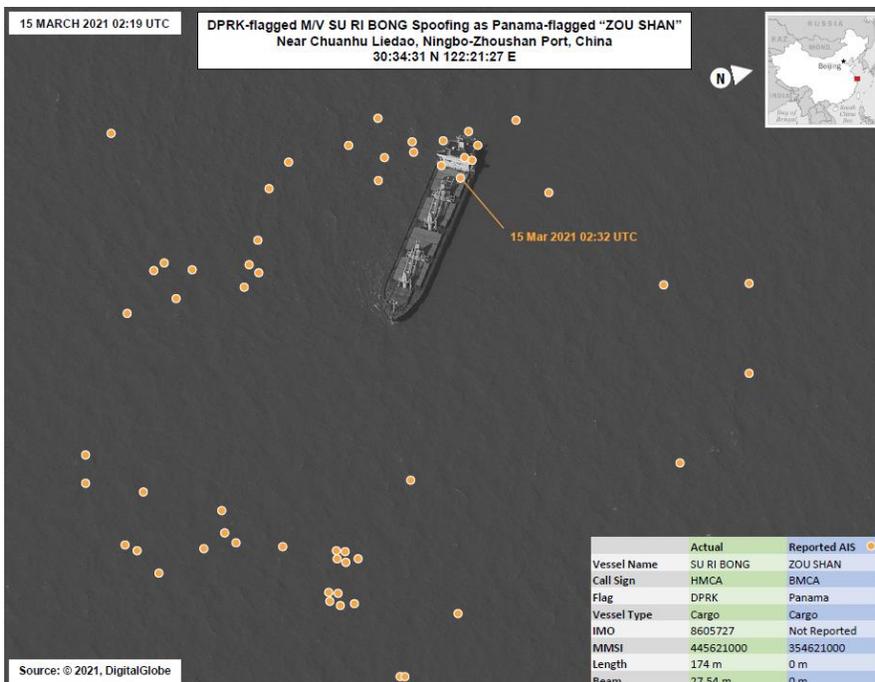
The following are sample instances where of DPRK-flagged and DPRK-associated vessels in Chinese territorial waters transmitting identifiers with suspect indicators and therefore subject for further investigations by the relevant Chinese maritime authorities.

#### *Su Ri Bong* (IMO: 8605727)

The DPRK-flagged *Su Ri Bong* has delivered DPRK-origin coal on multiple occasions to Ningbo-Zhoushan waters for ship-to-ship transfer and reported in the Panel's past reports. The *Su Ri Bong* was advertised to be sold for scrap back in June 2019 but has continued to return to Chinese waters to deliver its coal. The vessel has been known to transmit fraudulent identifiers. A Member State reported that the *Su Ri Bong* carried coal to Ningbo-Zhoushan waters while transmitting fraudulent identifiers from March to May 2021. These included transmitting variations of a vessel name 'Zhou Shan' and 'Zoushan' and transmitting a Panama-associated MMSI number without an IMO number or ship dimensions (see figure annex 34-1).

**Figure Annex 34-1: Storyboard of DPRK-vessel *Su Ri Bong* (fka *Pu Zhou* and *Fu Xing 12*) (IMO: 8605727) transmitting identifiable fraudulent identifiers, March to May 2021**



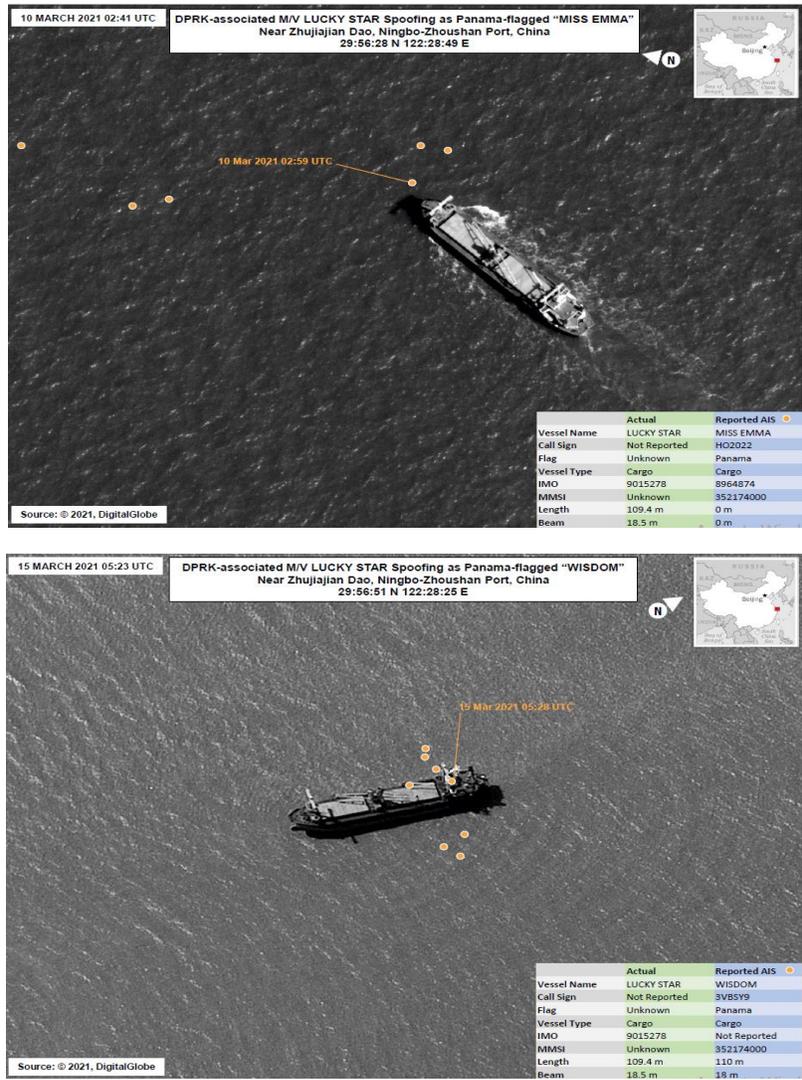


Source: Member State

Lucky Star (IMO: 9015278)

The DPRK-associated vessel *Lucky Star* was reported by the Panel in its reports as far back as 2019 to have illegally exported DPRK-origin coal. The vessel was issued a national port ban by the Republic of Korea in December 2018. On 10 March 2021, the *Lucky Star* was recorded in Ningbo-Zhoushan waters transmitting fraudulent identifiers without reporting its dimensions (see figure annex 34-2).

**Figure Annex 34-2: *Lucky Star* transmitting identifiable fraudulent identifiers, March 2021**

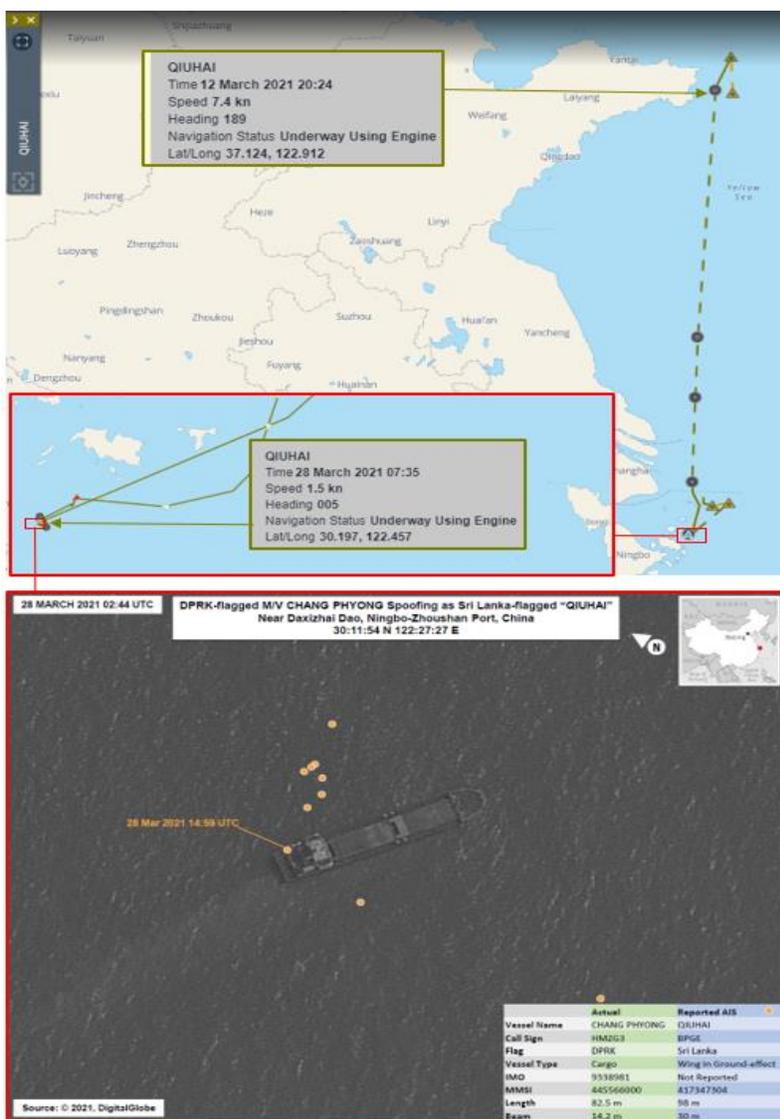


Source: Member State

Chang Phyang (IMO: 9338981)

The DPRK vessel *Chang Phyang* last transmitted on its AIS profile in May 2017 (MMSI: 44556600). The vessel fraudulently transmitted as the Sri Lanka-flagged *QiuHai* with no reported IMO number on 12 March 2021 near the Shandong peninsula, China, before re-transmitting around 15 March 2021 in Ningbo-Zhoushan waters until at least 28 March 2021 (see figure annex 34-3). In May, elsewhere in Ningbo-Zhoushan waters, the *Chang Phyang* transmitted on its historical Kiribati-associated MMSI with no reported IMO number. The vessel also transmitted its vessel type as a futuristic “wing in Ground-effect”.

**Figure Annex 34-3: *Chang Phyang* transmitting identifiable fraudulent identifiers, March 2021**

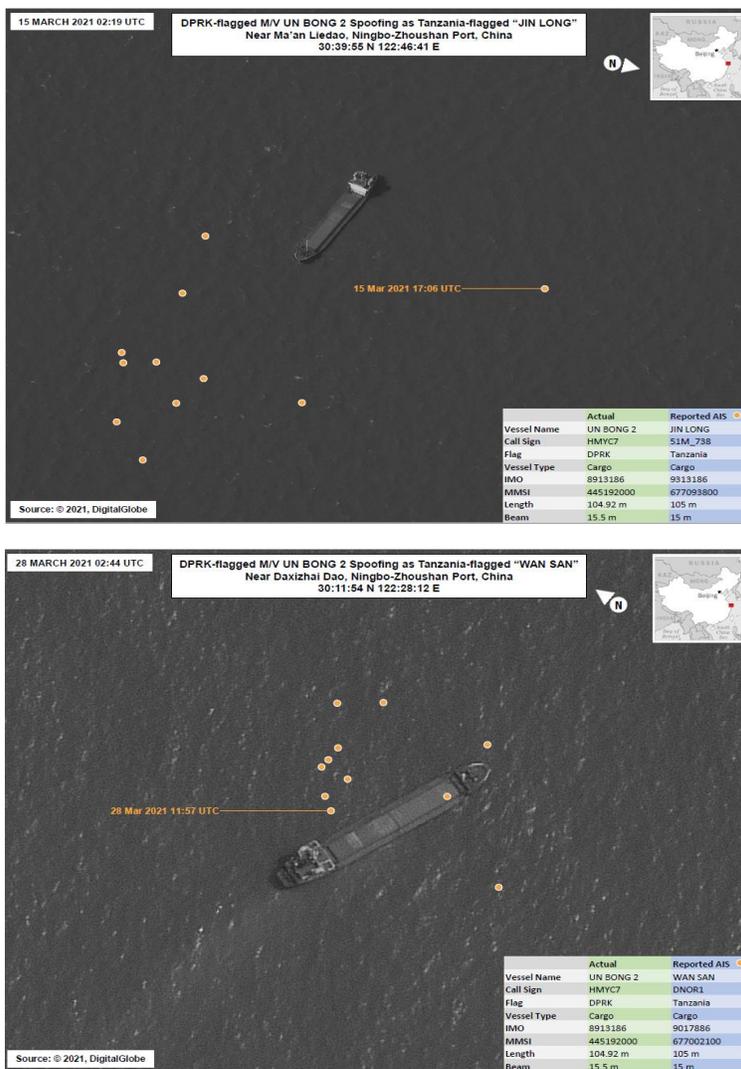


Source: Windward, annotated by the Panel; satellite imagery: Member State

Un Bong 2 (IMO: 8913186)

The DPRK vessel *Un Bong 2* was reported by the Panel in its reports as far back as 2018 to have illegally transshipped DPRK-origin coal. In 2020, the Panel’s recorded the vessel near Huangxing Island in Ningbo-Zhoushan on 29 April 2020 as exporting DPRK-origin coal. In March 2021, *Un Bong 2* was recorded transmitting on its historical identifier sailing as Tanzania-flagged *Jin Long*. Tanzania had de-flagged the vessel in June 2016<sup>21</sup>. It also transmitted as another alleged Tanzania-flagged vessel with an unregistered IMO number (see figure annex 34-4).

**Figure Annex 34-4: *Un Bong 2* transmitting identifiable fraudulent identifiers, March 2021**



Source: Member State

<sup>21</sup> IMO website.

Tanzania informed the Panel that the DPRK vessels *Un Bong 2* (IMO: 8913186), formerly sailing as *Jin Long* under the Tanzania flag in 2016, had been de-registered on 10 October 2016. Additionally, Tanzania had never registered any vessels with IMO: 9017886 or IMO: 9313186, identifiers under which *Un Bong 2* was fraudulently transmitting. Tanzania stated “If they were found flying Tanzania flag, they are flying it illegally” (see figure annex 34-5).

**Figure Annex 34-5: Note verbale and extract of attachment from Tanzania on fraudulent AIS transmissions**

**THE UNITED REPUBLIC OF TANZANIA  
PERMANENT MISSION TO THE UNITED NATIONS**

Tel: (212) 697-3612  
Fax: (212) 697-3618  
E-mail: [newyork@nje.go.tz](mailto:newyork@nje.go.tz)  
[tanzania@un.int](mailto:tanzania@un.int)



307 East 53rd Street  
Suite 500  
New York, NY 10022

**Ref: No. TZNY/U.10/15 (1)**

The Permanent Mission of the United Republic of Tanzania to the United Nations presents its compliments to the United Nations Security Council Panel of Experts Established Pursuant to Resolution 1874 (2009) and has the honour to submit to the later response from the Government of Tanzania (Zanzibar Maritime Authority), regarding suspect vessels' on-going broadcast of false AIS information as foreign-flagged vessels to evade sanctions, raised by the later note no. S/AC.49/2021/PE/OC.241 of 29 June 2021

The Mission has further honour to inform the later that the government deregistered MV. UN BONG 2, IMO NO. 8913186 on 10<sup>th</sup> October 2016. And Tanzania has never registered IMO Numbers 9017886 and 9313186. If they were found flying Tanzania flag, they are flying it illegally.

The Permanent Mission of the United Republic of Tanzania to the United Nations avails itself of this opportunity to renew to the United Nations Security Council Panel of Experts Established Pursuant to Resolution 1874 (2009) the assurances of its highest consideration.

New York, 21 July 2021



United Nations Security Council Panel of Experts Established Pursuant to Resolution 1874 (2009),

**NEW YORK.**



**ZANZIBAR MARITIME AUTHORITY**

PHONE NO: +255 24 2236795  
FAX NO: +255 024 2236796  
WEBSITE: [www.zma.go.tz](http://www.zma.go.tz)  
E-MAIL: [info@zma.go.tz](mailto:info@zma.go.tz)

P. O. BOX 401  
ZANZIBAR  
TANZANIA

**ZMA/RSZ/150/1/VOL.6/1185**

**10<sup>th</sup> October, 2016**

**STAR MOON SHIPPING CO., LTD.  
TRUST COMPANY COMPLEX, AJELTAKE ROAD,  
AJELTAKE ISLAND MAJURO,  
MARSHALL ISLANDS MH96960**

**REF: DEREGISTRATION OF JIN LONG  
IMO NO. 8913186**

Reference is made to the above subject matter.

Having been notified of the United Nations (UN) sanctions slapped against North Korea, as per United Nations security Council (UNSC) resolution 2270 (2016), adopted on 02 March, 2016, we are compelled to act and execute measures to deregister your above mentioned vessel so as to abide by the relevant provisions of the resolution. This is because the vessel been submitted to our Government as a North Korean Vessel.

This act on our part is in line with the Government directive, and is in conformity with UNSC resolution 2270 (2016) operative paragraph 19 which requires member states to deregister and refrain from registering any vessel that is owned, operated, or crewed by North Korea.

Hence, this is to inform you that our Authority has struck off the vessel from Tanzania Zanzibar International Register of Shipping, effective from the date of this letter. This implies that from the effective date the vessel can no longer legally fly the Tanzania flag in its sailing operation, whatsoever.

We require you to respect and heed this act.

Thank you,

  
**FOR: DIRECTOR GENERAL  
ZANZIBAR MARITIME AUTHORITY**

Source: Member State

China responded:

**(5) OC.77, OC.154, OC.155, OC.157, OC.161**

According to China's verification, the vessel *Shunkai*, together with most vessels alleged to be delivering coal to China, and vessels suspected to be delivering refined petroleum products to the DPRK including *Sin Phyong 2*, *An San 1*, *Aquamarine*, *Hai Shun* and *Xing Ming Yang 888* have not entered Chinese ports since 2020.

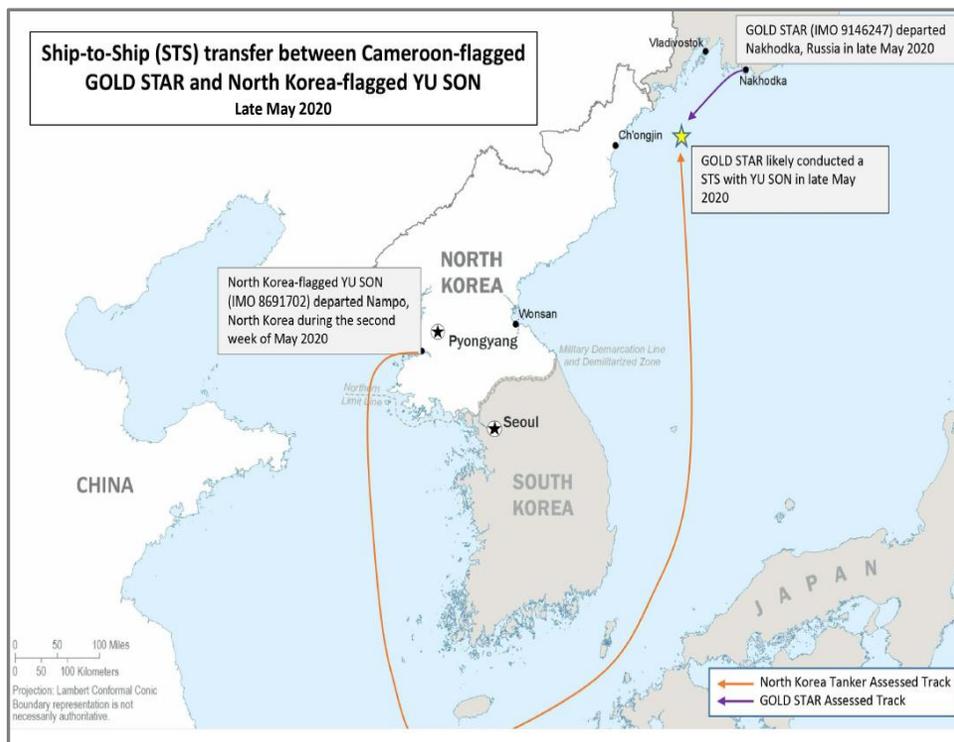
Source: The Panel

## Annex 35a: *Gold Star* sanctions evasion methods

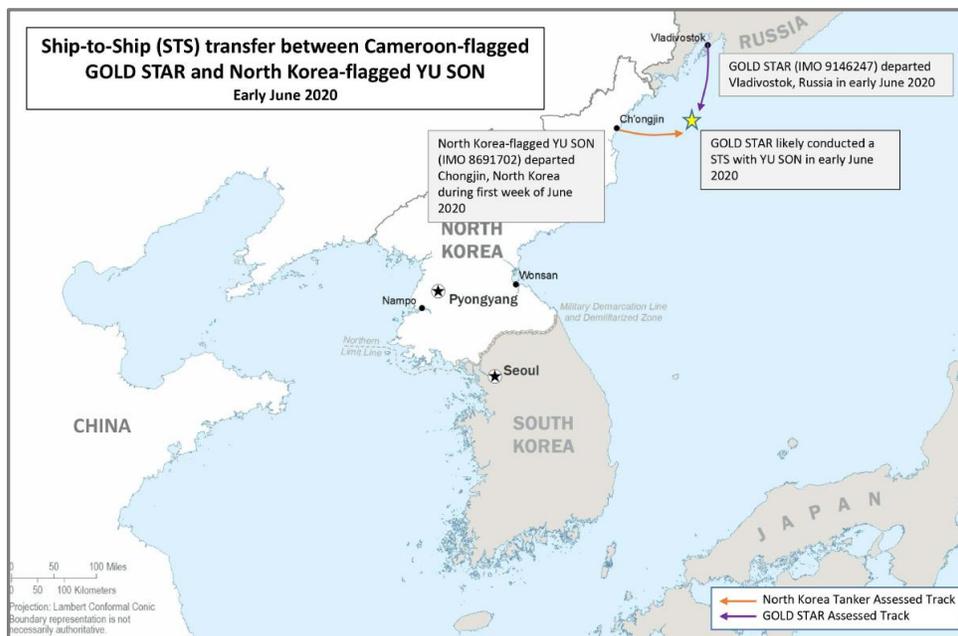
Panel investigations, publicly available data and Member State information indicated the *Gold Star* (IMO: 9146247) engaged in ship-to-ship transfers with DPRK-flagged and DPRK-associated vessels on multiple occasions in late 2019 and continuing into 2020 when it was sailing as then Sierra Leone-flagged *Silver Star 1* and subsequently as then Cameroon-flagged *Gold Star*.

According to a media report<sup>22</sup>, the *Gold Star* was alleged to have engaged in a ship-to-ship transfer with the DPRK tanker *Yu Son* (IMO: 8691702) in June 2020. Panel research based on AIS tracks from a specialized maritime AI platform into the *Gold Star* and *Yu Son*'s May / June 2020 voyages, along with an analysis into the *Gold Star*'s ownership and management history, indicated the media information warranted deeper investigations. A Member State subsequently provided information of the *Gold Star* and *Yu Son*'s May and June 2020 voyage tracks (see figure annex 35a-1).

**Figure Annex 35a-1: Ship-to-ship transfer between the *Gold Star* (IMO: 9146247) and *Yu Son* (IMO: 8691702), May / June 2020**



<sup>22</sup> Pyongyang Papers.



Source: Member State

The Member State provided additional information that the vessel had engaged in additional ship-to-ship transfers with DPRK-flagged tankers on multiple occasions over a period of time from late 2019 and continuing into 2020 when it was sailing as the then Sierra Leone-flagged *Silver Star 1* and as the then-Cameroon-flagged *Gold Star* (see table annex 35a). According to the Member State, the suspected transfers with DPRK tankers took place within Chinese territorial waters as well as on the high seas off the east coast of the DPRK. The Member State further assessed that a DPRK entity, Mulgil Trading General Corporation, was also directly involved in hiring the *Gold Star* to engage in the unreported importation of refined petroleum products to the DPRK.

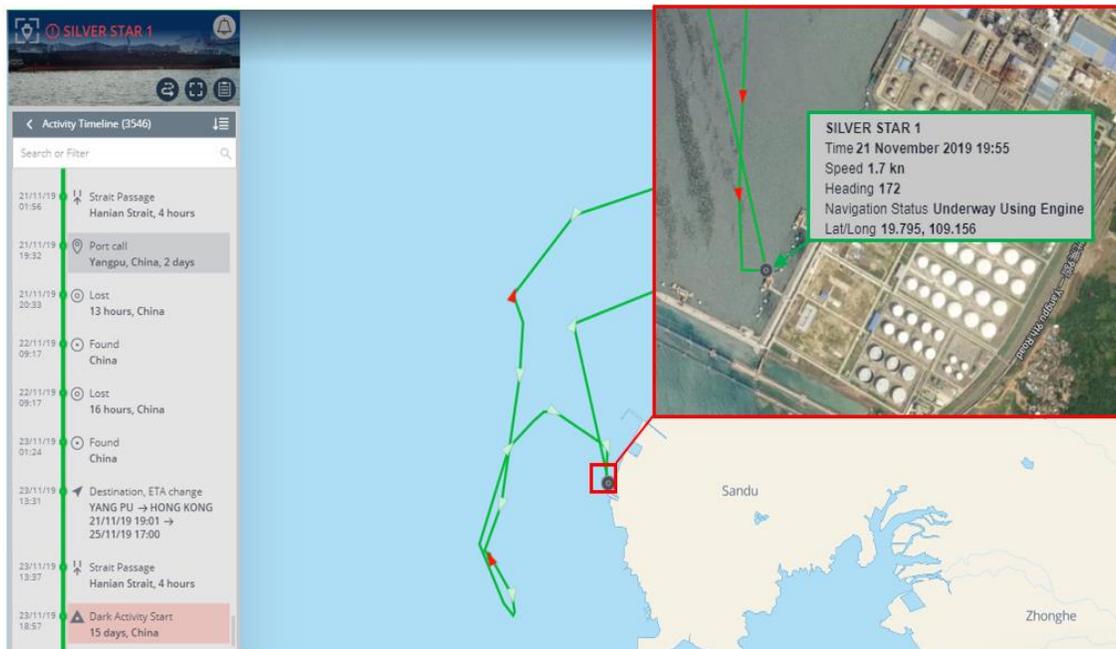
**Table Annex 35a: List of suspected ship-to-ship transfers with DPRK vessels**

- Late-November to early December 2019: *Silver Star 1* and DPRK tanker *Kum Jin Gang 3* (IMO: 8791667)
- Early February 2020: *Silver Star 1* and DPRK tanker *Pu Ryong* (IMO: 8705539)
- Mid-February 2020: *Silver Star 1* and DPRK tanker *Chil Bo San* (IMO: 8711021)
- Mid-February 2020: *Silver Star 1* and DPRK tanker *Sam Ma 2* (IMO: 8106496)
- Mid-February 2020: *Silver Star 1* and DPRK tanker *Yu Jong 2* (IMO: 8604917)
- Early April 2020: *Silver Star 1* and DPRK tanker *Sam Ma 2* (IMO: 8106496)
- Mid-April 2020: *Silver Star 1* and DPRK tanker *Yu Jong 2* (IMO: 8604917)
- Late May / Early June 2020: *Gold Star* and DPRK tanker *Yu Son* (IMO: 8691702)

Panel investigations conducted into the vessel's history indicated an earlier connection to DPRK illicit activities. The *Gold Star*, sailing as the *Sky Ace 1* has been a subject of past Panel report concerning planned oil transfers between vessels owned or operated by the late Chen Shih-Hsien and his associated company holdings, and DPRK tankers<sup>23</sup>. The *Yu Son* also had a history of conducting illicit ship-to-ship transfers<sup>24</sup>.

According to information from a Member State, the *Gold Star*, sailing as then Sierra-Leone flagged *Silver Star 1*, loaded fuel oil from an oil terminal in Yanpu, Hainan Island, and subsequently conducted two ship-to-ship transfers with the DPRK tanker *Kum Jin Gang 3* (IMO: 8791667) in mid-November and in early December 2019. A Chinese entity facilitated the transfer of fuel oil from the oil terminal to the vessel. AIS transmissions on a maritime tracking platform confirmed the location of the vessel in November 2019 (see figure annex 35a-2):

**Figure Annex 35a-2: Location of *Gold Star*, then sailing as *Silver Star 1*, Yangpu, China, November 2019**



Source: Windward and Google Earth Pro, annotated by the Panel

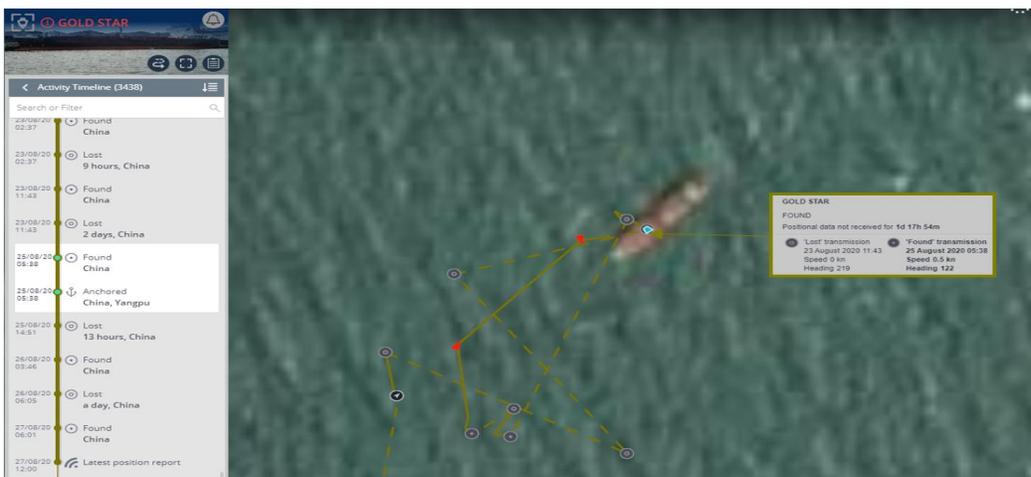
<sup>23</sup> Paragraph 72 and Annexes 22 to 25 of S/2018/171 of 5 March 2018.

<sup>24</sup> Paragraph 5 and Figure II of S/2019/691 of 30 August 2019.

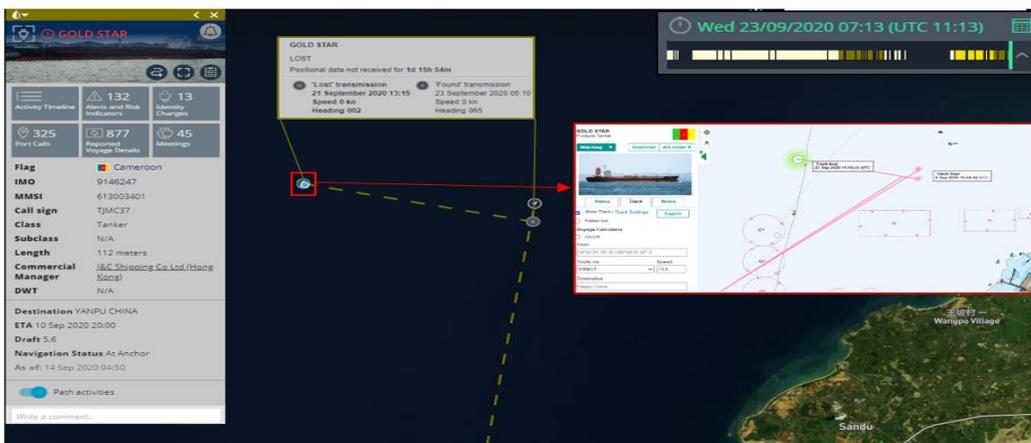
Both vessels did not transmit AIS signal on commercial maritime databases over the investigative period of interest, with the *Kum Jin Gang 3* stopping transmission since April 2019<sup>25</sup>. The *Kum Jin Gang 3* was the formerly Belize-flagged *Wan Heng 11*, was designated on 30 March 2018 for having itself conducted a ship-to-ship transfer with the DPRK-flagged *Rye Song Gang 1* (IMO: 7389704) on 13 February 2018. Maritime tracking platforms showed the *Gold Star* back at Yangpu port area in Hainan Island from August to November 2020 (see figure annex 35a-3).

**Figure Annex 35a-3: Excerpts from specialized commercial maritime platforms showing the *Gold Star's* (IMO: 9146247) location at Yangpu, Hainan Island, August and September 2020**

August 2020



September 2020



Source: Windward, Planet Labs, and IHS Markit, annotated by the Panel

<sup>25</sup> Information as of May 2021.

Following the *Gold Star*'s departure from a Ningde port in China in November 2020, AIS tracking data showed the vessel remaining in Chinese waters until February 2021. According to the Member State, the vessel, which remained anchored in waters outside Zhanjiang port with limited provisions, need for medical assistance, and the inability to enter another port, transferred the ship's operational control to an unnamed entity in Indonesia. The vessel next appeared in the territorial waters of Timor Leste in May 2021.

China responded:

**(2) OC.75**

*Gold Star* left Yangpu, Hainan in late November 2019, it has not entered Chinese ports since then. The Chinese side does not have information regarding the alleged transfer of refined petroleum products by this vessel.

There is no ports-entry request submitted to Chinese ports by *Ocean Star* in November 2020. The port clearance document annexed to the Panel's letter is fake. *Ocean Star* did not enter Chinese ports, and *Gold Star* did not enter Chinese ports under fraudulent identity of *Ocean Star*.

The Hong Kong SAR company J&C Shipping, mentioned in the Panel's letter as the operator of *Gold Star*, was canceled in March 2021. There is no record of this company's import and export trade or its involvement in DPRK-related smuggling activities. China hopes that the Panel does not readily believe information which is inconsistent with facts.

The Russian Federation has yet to respond to the Panel's enquiry.

Timor Leste has yet to respond to the Panel's enquiry.

### J&C Shipping Co. Ltd

Information available to the Panel indicates that Cheng Bin, a manager at J&C Shipping, was directly involved in the operation of the *Silver Star 1 / Gold Star's* illicit activities, including directing the off-loading of refined petroleum to the DPRK and / or DPRK-affiliated vessels. Publicly available information show Cheng Bin appears as Director / Shareholder of a number of companies incorporated in Hong Kong SAR and in mainland China, such as Qingdao SBS International Corporation Limited (China) / 青岛市新公元贸易有限公司.

J&C Shipping has not responded to the Panel's enquiry.

Mr. Cheng Bin has not responded to the Panel's enquiry.

### Union Bureau of Shipping

The Panel also investigated the entities and individuals that may have facilitated, directly or indirectly, these illicit refined petroleum transfers. In addition to investigations conducted into J&C Shipping Co. Ltd, the Panel found a China-based entity, Union Bureau of Shipping (hereafter "Union Bureau"), had provided services and / or issued certification to the *Gold Star*. Union Bureau was also listed on a specialized maritime platform as having provided shipping related services including: corporate registry services and / or served as a Document of Compliance holding company for the following de-flagged vessels the Panel had investigated as having violated operative paragraph 5 of resolution 2397<sup>26</sup> (see also annex 35b):

- (i) *Hokong* (IMO: 9006758) that delivered refined petroleum products to the DPRK in 2019 and 2020;
- (ii) *Unica* (IMO: 8514306) that delivered refined petroleum products to the DPRK in 2019 and 2020;
- (iii) *Subblic* (IMO: 8126082) that delivered refined petroleum products to the DPRK in 2019 and 2020;
- (iv) *Vifine aka Tealway FV* (IMO: 9045962) that delivered refined petroleum products to the DPRK in 2019; and
- (v) *New Konk* (IMO: 9036387) that conducted a ship-to-ship transfer with the *Vifine* in 2019 and delivered refined petroleum products to the DPRK in 2020.

The Panel continues to await a response from Union Bureau.

Source: The Panel

<sup>26</sup> S/2020/151 of 3 March 2020

**Annex 35b: Port Clearance document showing fraudulent identifiers used by *Gold Star*, November 2020**

**国际航行船舶出口岸许可证**

No. 200802020037852213

存 根	船名	海洋之星	国籍	蒙古
	驶往港	巴淡岛	驶离时间	2020-11-30 16:00

签发人: 郭少良  
2020年11月30日



---



No. 200802020037852213

**中华人民共和国**  
**国际航行船舶出口岸许可证**  
**THE PEOPLE'S REPUBLIC OF CHINA PORT CLEARANCE**

船名	海洋之星	国籍	蒙古
Name of Ship	OCEAN STAR	Nationality	Mongolia
驶往港	巴淡岛	驶离时间	2020-11-30 16:00
Next Port	BATAM	Time of Departure	

签章: 白马港海事处  
Issued by: \_\_\_\_\_  
时间: \_\_\_\_\_  
Date and time: 2020-11-30 16:00:00



备注  
Remarks  
1、本证自签发时起24小时内有效。  
This clearance remains valid within 24 hours from the time issued.  
2、本证涂改无效  
Correction will render this clearance invalid.

Source: Member State

According to China, this port clearance document is fake. See China's reply in annex 35a

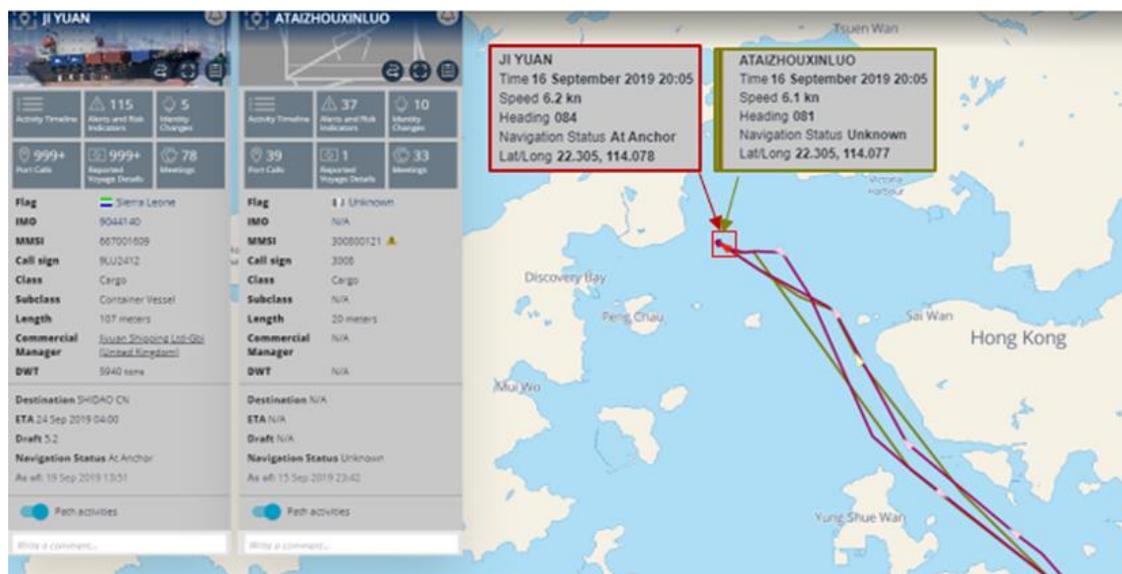
### Annex 36a: Then Sierra Leone-flagged *Ji Yuan*'s (aka *Chang Long*) (IMO: 9044140) voyages, 2019 to 2021

Panel analysis into AIS tracking information of the *Ji Yuan* showed the vessel also transmitting as the *Ataizhouxinluo* (MMSI: 300800121). The *Ji Yuan*, transmitting as the *Ataizhouxinluo*, could be tracked much further sailing towards the DPRK. The vessel last transmitted an AIS signal in February 2021 near Kaohsiung port<sup>27</sup>.

Tracking data of the *Ji Yuan* on a specialized commercial maritime database platform showed the vessel exhibited instances of transmitting as another vessel since 2019 through at least 2020, suggesting the possibility of a second transponder carried on board. When the *Ataizhouxinluo*'s AIS signal was captured in DPRK waters around 30 September 2019 (EST), an AIS signal jump of the vessel back Southwest around 26 September 2019 after the vessel beginning to sail Northeast indicates another vessel, possibly the original *Ataizhouxinluo* operating locally in the Chengjiagang port area, China, that also transmitted the same MMSI. This could indicate a spoofing technique to further obfuscate AIS profiles.

The following are sample instances of a highly likely fraudulent transmission on the MMSI: 300800121, sailing alternately as *Ataizhouxinluo* or as *Guanyunyu60203*.

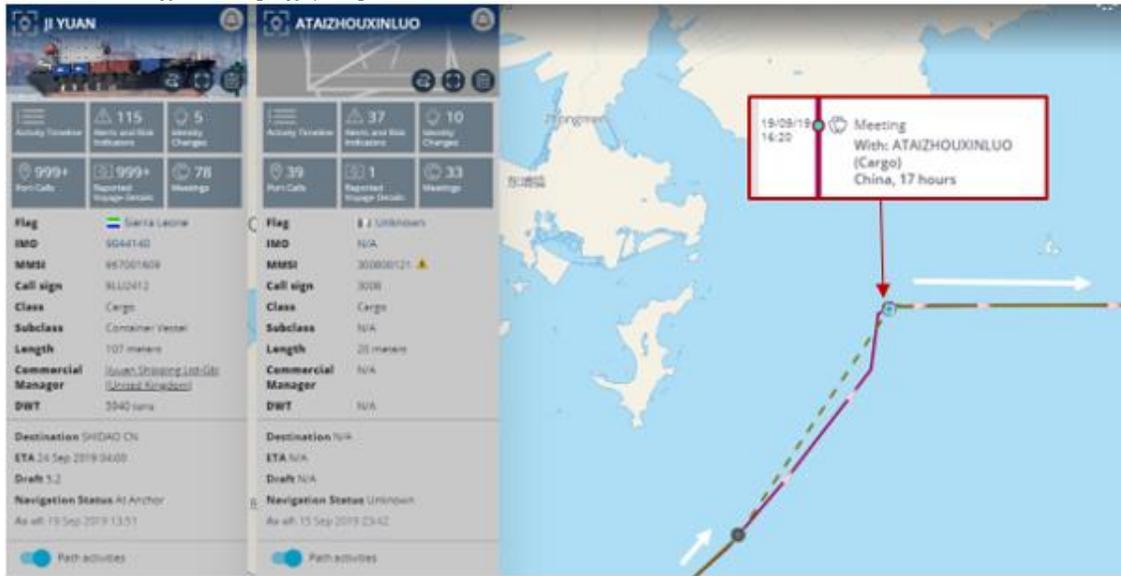
**Figure Annex 36a-1: *Ji Yuan* and *Ataizhouxinluo* in the Hong Kong port area showing similar AIS voyage information, September 2019**



Source: Windward, annotated by the Panel

<sup>27</sup> As of May 2021.

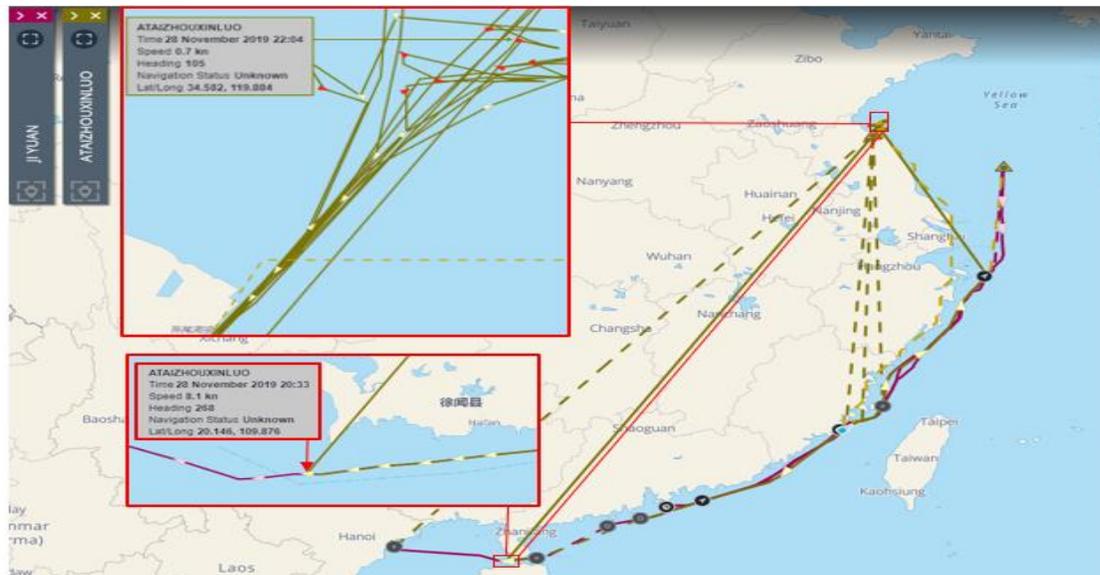
**Figure Annex 36a-2: ‘Meeting’ between *Ji Yuan* and *Ataizhouxinluo* but showing same AIS tracks during the voyage, September 2019**



Source: Windward, annotated by the Panel

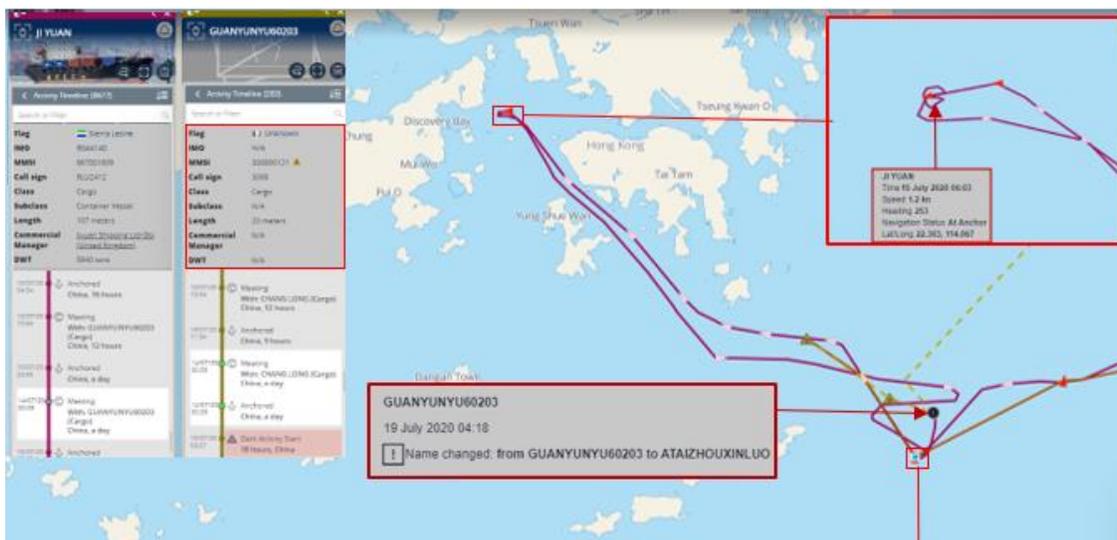
**Figure Annex 36a-3: Voyage route of *Ji Yuan* / *Ataizhouxinluo* in November 2019 showing positional jumps**

Example of positional jumps indicate two vessels are operating on the *Ataizhouxinluo* MMSI

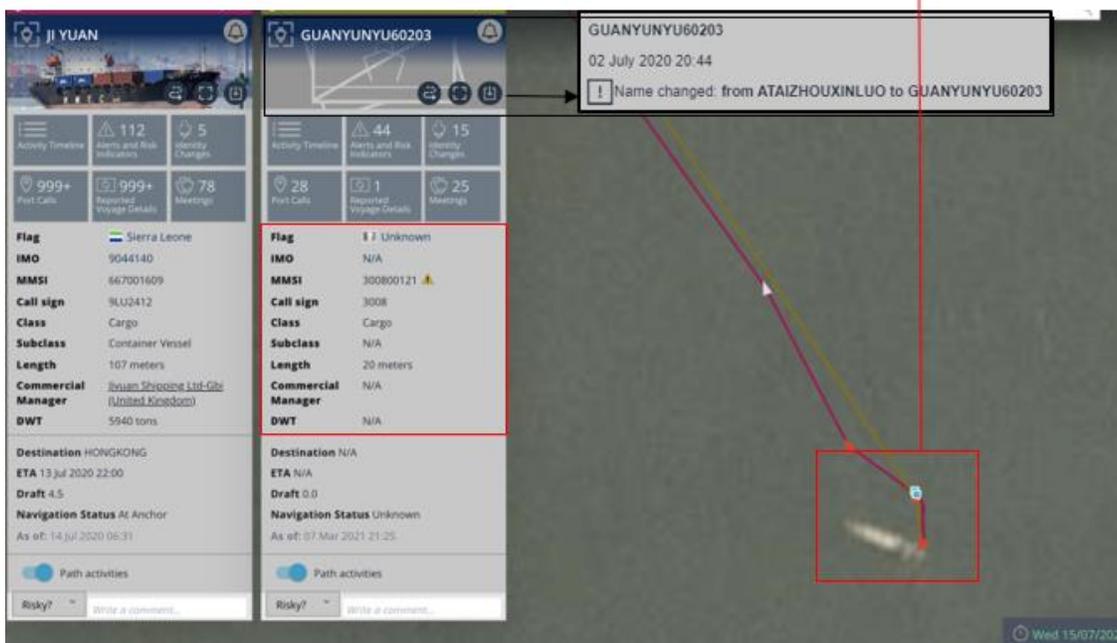


Source: Windward, annotated by the Panel

Figure Annex 36a-4: *Ji Yuan* was shown on AIS tracking database in July 2020 at Hong Kong port area



Low resolution satellite imagery showing that the *Ji Yuan* ‘meeting’ with *Ataizhouxinluo* (which changed its name to *Guanyunyu60203*) is just one vessel.



Source: Windward, Planet Labs, annotated by the Panel

The Panel also sought assistance from the United Kingdom, Sierra Leone, Mongolia and related entities concerning the vessel and its cargo.

Sierra Leone provided the requested documentation to the Panel including shipping documentation (see annex 36b). The *Ji Yuan* was ex-officio cancelled and deleted from the Sierra Leone ship registry on 3 April 2020, with the included reason of the vessel's engagement with activities prohibited by Security Council resolutions related to the DPRK (see annex 36c).

Mongolia provided information and documentation on the *Ji Yuan (aka Chang Long)* (see annexes 36d – 36g) and confirmed the vessel's de-registration on 14 June 2021.

The United Kingdom responded that it was following up on the requested information into the relevant companies and would revert with more details in due course.

*Source:* The Panel

**Annex 36b: Sample of shipping documentation of the Document of Compliance holding company for Ji Yuan**

JY - 00047



**SHORT TERM  
DOCUMENT OF COMPLIANCE**

Issued under the provisions of the  
International Convention for the Safety of  
Life at Sea, 1974, as amended,

Under the Authority of Government of the

**REPUBLIC OF SIERRA LEONE**  
by  
**UNION BUREAU OF SHIPPING**

**Name of the Company** : JIYUAN SHIPPING LTD  
**Address of the Company** : UNIT G25 WATERFRONT STUDIOS,  
1 DOCK ROAD, E16 1AH LONDON, UNITED  
KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND  
**Company Identification Number** : 6115715

**THIS IS TO CERTIFY THAT** the safety management system of the Company has been audited and that it complies with the requirements of the International Management Code for the Safe Operation of Ships and for Pollution Prevention (ISM Code) for the types of ships listed below (delete as appropriate):

~~Passenger ship~~  
~~Passenger high-speed craft~~  
~~Cargo high-speed craft~~  
~~Bulk carrier~~  
~~Oil tanker~~  
~~Chemical tanker~~  
~~Gas carrier~~  
~~Mobile offshore drilling unit~~  
Other cargo ship

This Short Term Document of Compliance remains in force until the Full Term Document of Compliance has been delivered on board, but not later than 24<sup>th</sup> April 2020.

Issued at DALIAN, CHINA on 25<sup>th</sup> January, 2020



Auditor to  
**UNION BUREAU OF SHIPPING**

Source: Member State

**Annex 36c: De-registration certificate of Ji Yuan, 3 April 2020**



**REPUBLIC OF SIERRA LEONE**  
**CERTIFICATE OF DE-REGISTRATION**  
**REMOVAL FROM REGISTER**



Issued in accordance with the Sierra Leone Merchant Shipping Act of 2003,  
 Part III, Section 20 & 21.

Certificate No.  
**VHQ-200-20-0878**

Name of Vessel <b>Ji YUAN</b>		Official No. <b>SLR10399</b>
Call Sign <b>9LU 2412</b>	Port of Registry <b>FREETOWN</b>	IMO No. <b>9044140</b>
MMSI No <b>667 001 600</b>	Type of Vessel <b>Container Ship</b>	Gross Tonnage <b>3986</b>
Owner's Name and Address <b>JiYUAN SHIPPING LTD., UNIT G25 WATERFRONT STUDIOS, 1 DOCK ROAD, E16 1AH, LONDON, United Kingdom of Great Britain and Northern Ireland</b>		Owner's IMO No. <b>8115715</b>

I, the undersigned, hereby certify that:

- The registration of the vessel described above as Sierra Leonean ship was terminated and on the date given below and an entry was made in the merchant ship Register to this effect.
- At the time of de-registration the following particulars of encumbrances and rights were registered on the vessel:

The vessel has outstanding dues to the register of Sierra Leone.

- The reason for de-registration of the vessel is:

Other: Engaged in activities prohibited by UNSC resolutions related to the DPRK

Place and Date of issuance

**Freetown, Sierra Leone on 03 April 2020 at 12:26 UTC**



This is an electronically generated certificate. It has been digitally signed and stamped.

**Rafaella Christofi - Assistant Registrar**

To Whom It may Concern: Authenticity of this certificate can be verified through the Flag Administration's website at [www.smarad.com](http://www.smarad.com) based on the Certificate Number or by contacting directly the Flag Administration through the contact details at the bottom of the certificate.

Source: Member State

Annex 36d: Bill of Sale of vessel *Ji Yuan* (IMO: 9044140), 26 July 2019

**BILL OF SALE (Body Corporate)**

Forms No. 10A X.S. 79A

<p>Prescribed by the Commissioners of Customs &amp; Excise with the consent of the Secretary of State for Trade and Industry</p>	IMO Number <b>9044140</b>	Name of Ship <b>MV SUNNY CEDAR</b>	Number, year and port of registry <b>Built 1992, DAE SUN SHIPBUILDING &amp; ENGINEERING CO., LTD.</b>	Whether a sailing, steam or motor ship <b>Motor ship</b>	Horse power of engines (if any) <b>5,230PS</b>
Length Breadth Depth		Meters		Number of tons	
		CM		GRT	
		107 17 8		3,980 1,478	

Asid as described in more detail in the Certificate of the Surveyor and the Register Book.

We, (a) KOREA MARINE TRANSPORT CO., LTD. (hereinafter called "the Transferees") having our principal place of business at 15th Floor, Hanjin Bldg, Namdaemun-ro 63, Jung-gu, Seoul, Republic of Korea, in consideration of the sum of USD 1,000,000 (United States Dollars One Million and One Hundred Thousand) in cash paid to us by (b) GOOD JOB TRADING LIMITED, RMS 05-15 13-AF, SOUTH TOWER, WORLD FINANCE CTR, HARBOUR CITY, 17 CANTON ROAD, TSDM SHA TSUI XI, HONG KONG (hereinafter called "the Transferor") 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 Transferees(s).

Further, we, the said transferees for ourselves and our successors covenant with the said Transferor(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 ANY and (d) ALL MORTGAGES, ENCUMBRANCES AND MARITIME LIENS OR ANY OTHER DEBTS WHATSOEVER.

In witness whereof we have hereunto affixed our common seal on 26<sup>th</sup> July, 2019.

KOREA MARINE TRANSPORT CO., LTD.

(a) Insert title in FULL of the Body Corporate. (b) Insert name and address in full and description of transferee or transferees. (c) Insert "his", "her", or "their".  
 (d) If there be any existing Mortgage or other encumbrance of Mortgage or Sale, add "together with" as appears by the Registry of the said Ship.  
 (e) Description of Witness: Deponent, Secretary, etc. (as the case may be).

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 neither of this provision may entail serious consequences.

NOTE: Registered Owners or Mortgagees are reminded of the importance of keeping the Register of British Ships informed of any change of residence on their part.

Sec. F. 2658 (Oct 1971)  
1548-934992-1246-773-817-NP

\*Note: The Panel holds the notarized document for the Bill of Sale.

Source: Member State

Annex 36e: Bill of Sale of vessel *Ji Yuan* (IMO: 9044140), 15 August 2019

**BILL OF SALE (Body Corporate)**

Form No. 10A X.S.79A

<p>DMO Number <b>9044140</b></p>	<p>Name of Ship <b>SUNNY CEDAR</b></p>	<p>Official number, year and port of Registry <b>JTR-920573 1992JEU</b></p>	<p>Whether a sailing, steam or motorship <b>Motor ship</b></p>	<p>Horse power of engines (if any) <b>5320PS</b></p>
<p>Length Breadth Depth</p>	<p>Meters 187 17 8</p>	<p>Centimeters 60 20 30</p>	<p>Number of tons Gross Net</p>	<p>2980 1878</p>

And as described in more detail in the Certificate of the Surveyor and the Register Book.

WE, (a) **GOOD JOB TRADING LIMITED** (hereinafter called "the Vendors") having our principal place of business at **RMS 05-15 LAJZ SOUTH TOWER, WORLD FINANCE CTR HARBOUR CITY 17 CANTON ROAD, SIM SHATSUI KL, HONGKONG**, in consideration of the sum of **USD 1,000,000 UNITED STATES DOLLARS ONLY** or other valuable consideration paid to us by (b) **JYUAN SHIPPING LTD**, with registered address at **UNIT 625 WATERFRONT STUDIOS, DOCK ROAD, LONDON, UNITED KINGDOM, E16 1AH** (hereinafter called "the Purchaser(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 said transferees for ourselves and our successors covenant with the said Transferee(s) that we have power to transfer in manner aforesaid the premises hereinbefore expressed to be transferred, and that the same are free from **ANY ENCUMBRANCES (ALL DEBTS, MORTGAGES, TAXES AND MARITIME LIENS AND CLAIMS)**.

In witness whereof we have hereunto executed this bill of sale on **15 AUG 2019**  
 For & on behalf of **GOOD JOB TRADING LIMITED**.

By: [REDACTED]  
 Title: **Attorney in fact**

(a) Insert title in FULL of the Body Corporate, (b) Insert name and address in full and description of transferee or transferees, (c) Insert "his", "her", or "their"  
 (d) If there be any existing Mortgage, or outstanding Certificate of Mortgage or Sale, add "have as appears by the Registry of the said Ship"  
 (e) Description of Witnesses: Directors, Secretary, etc. (as the case may be).  
 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 result in serious consequences.  
 NOTES: Registered Owners or Mortgagees are reminded of the importance of keeping the Register of British Ships informed of any change of residence on their part.  
 See F 2005 (Oct 1971)  
 1548-934992-12M-772-817-NP

\*Note: The Panel holds the notarized document for the Bill of Sale.

Source: Member State

## Annex 36f: De-registration and Statement of Withdrawal of Certificates of Chang Long (fka *Ji Yuan*)

### Statement For Withdraw the Statutory Certificates

To whom it may concern,

**This is to declare that:**All the following statutory certificates of M/V CHANG LONG (IMO9044140) issued by this RO International Marine Survey Association under the Authority of the Government of Mongolia have been withdrawn due to she was de-registration by MSR on 14 June 2021. And this RO will not be responsible for the ship's condition covered by following certificates from the date of issuing this statement.

1. International tonnage certificate (ITC) IM-20-01-222
2. Cargo ship safety construction certificate (CSSC) IM-20-01-223
3. Cargo ship safety equipment certificate (CSSE) IM-20-01-224
4. Cargo ship safety radio certificate (CSSR) IM-20-01-225
5. International load line certificate (ILLC) IM-20-01-226
6. International oil pollution prevention certificate (IOPP) IM-20-01-227
7. International air pollution prevention certificate (IAPP) IM-20-01-228
8. International sewage pollution prevention certificate (ISPP) IM-20-01-229
9. International energy efficiency certificate (IEEC) IM-20-01-230
10. International ballast water management certificate (IBWMC) IM-20-01-231
11. International anti-fouling system certificate (AFS) IM-20-01-232
12. Safe management certificate (SMC) IM-20-01-235
13. International ship security certificate (ISSC) IM-20-01-236
14. Maritime labor certificate (MLC) IM-20-01-237



Issued By: **International Marine Survey Association**

On 15 June 2021.

Source: Member State

## Annex 36g: Mongolia Ship Circular



### MONGOLIA SHIP REGISTRY MONGOLIA MARITIME ADMINISTRATION

Circular No. 03-19

03 May 2019

**TO:** SHIP-OWNERS/ OPERATORS MANAGERS, AND INDIVIDUALS  
**SUBJECT:** REGISTRATION AND DE-REGISTRATION PROCEDURE

#### **PURPOSE**

This Maritime Circular is to provide guidelines for the registration and cancellation of vessels who is presumable to breach a Mongolia laws and UN Sanctions.

#### **REGISTRATION AND APPLICATION**

1. The Mongolia registrar will check the vessels background and previous history.
2. The Shipowners and the managers must submit all the documents required by Mongolia Ship registry.
3. Mongolia Ship Registry has right to reject the vessel's application if consider as suspicious.
4. Mongolia Ship Registry has right to require "Letter of Undertaking" additionally from owner ( The letter sample enclosed in Annex 1)

#### **DE-REGISTRATION AND CANCELLATION OF CERTIFICATES**

The Mongolia Ship Registry has right to cancel the vessels' registration in such cases:

1. Violation of Mongolia Laws and Regulations
2. Violation of UN and EU sanctions.
3. Violation of MLC and its requirements
4. Transportation of prohibited and banned cargoes.
5. High number of PSC detentions

This circular will enter into effect as of 01<sup>st</sup> June 2019.

For any inquiries, please contact us.

Mongolia Ship Registry



Source: Member State

### Annex 37a: *Wol Bong San* (fka *Xin Hai*) (IMO: 7636638)

The unknown-flagged tanker *Xin Hai* (IMO: 7636638) came under the DPRK fleet and was renamed *Wol Bong San* in March 2020. The vessel's history is indicative of other vessels the Panel investigated that transitioned to become DPRK-flagged. Indicators included: not updating ownership information and DPRK-associated ties in the vessels' management history.

The *Xin Hai* was formerly Sierra Leone-flagged from October 2017 to November 2019. The vessel was de-registered with the provided reason to the ship registry that it was "sold and transferred" (see annex 37b). However, maritime databases have not registered an updated sale nor new flag registry since then till the vessel was flagged under the DPRK and renamed *Wol Bong San*, in March 2020<sup>28</sup>. A satellite imagery captured showed the *Xin Hai* docked at Nampo, DPRK, in November 2020 (figure annex 37a). The vessel has not transmitted an AIS signal since October 2019<sup>29</sup>.

**Figure Annex 37a: *Xin Hai* (nka as *Wol Bong San*), Nampo, DPRK, 10 November 2020**



Source: Member State

<sup>28</sup> The information was updated some time in 2021, with its DPRK-flagged status backdated to March 2020.

<sup>29</sup> Windward.

The *Xin Hai*'s registered owner, BVI-registered Zong Heng Ltd, listed Baili Shipping & Trading Ltd (hereafter "Baili Shipping")<sup>30</sup>, a Hong Kong incorporated entity<sup>31</sup> that also served as the vessel's manager and operator, as its care of address. Baili Shipping, however, according to Hong Kong corporate registry records, was dissolved in March 2018, indicating that the vessel ownership was not updated with the IMO. This is consistent with the Panel's past reporting of vessels that had conducted sanctionable activity that continued to list former owners or managers as an added layer of obfuscation, while conducting sanctions evasion activities.

The Panel notes that the facilitators behind entities that operate suspect vessels that have gone on to the flagged under the DPRK have links with other vessels that are DPRK-linked.

For instance, information provided to the Panel by an entity associated with the designated vessel *Yuk Tung* (IMO:9030891) lists the *Ocean Explorer* (IMO: 9388792) has having conducted a ship-to-ship transfer on 28 October 2018 with the *Xin Hai*. The *Ocean Explorer* conducted a ship-to-ship transfer with the *Yuk Tung* sailing as "*Maika*" a day later on 29 October 2019<sup>32</sup>.

Baili Shipping's sole Director and shareholder lists a Chinese national named Zhang Qiao. The Panel listed Zhang Qiao as associated with the designated *Jie Shun* (IMO: 8518780), a vessel that was interdicted in 2019 while sailing *enroute* from the DPRK towards the Suez Canal, transporting DPRK ammunition and iron ore on board<sup>33</sup>.

Baili Shipping was also listed as the Document of Compliance holder for the then Mongolia-flagged *Tian Tong* (IMO: 8712348) from January 2016 to November 2017 prior to the vessel being re-flagged under the DPRK. It served in a similar capacity with other DPRK vessels prior to their coming under the DPRK fleet, including DPRK-flagged: *Myong Sin* (IMO: 9045182) and *Ever Glory* (IMO: 8909915) that were mentioned in Panel reports exporting DPRK-origin coal.

Source: The Panel

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<sup>30</sup> 百利船舶貿易有限公司

<sup>31</sup> Room 2105, DL 1374, Trend Center, 29-31, Cheung Lee Street, Chai Wan, Hong Kong, China.

<sup>32</sup> S/2019/171

<sup>33</sup> S/2017/150.

Annex 37b: Certificate of De-Registration, *Xin Hai* (IMO: 7636638)

## REPUBLIC OF SIERRA LEONE

CERTIFICATE OF DE-REGISTRATION  
REMOVAL FROM REGISTER

Issued in accordance with the Sierra Leone Merchant Shipping Act of 2003,  
Part III, Section 20 & 21.



Certificate No.

VHQ-200-19-2949

Name of Vessel	XIN HAI		Official No.
			SLR10485
Call Sign	9LU 2498	Port of Registry	IMO No.
		FREETOWN	7636638
MMSI No	667 001 665	Type of Vessel	Gross Tonnage
		OIL TANKER	5105
Owner's Name and Address	ZONG HENG LIMITED, Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG1110, Virgin Islands (British)		Owner's IMO No
			6011341

I, the undersigned, hereby certify that:

- The registration of the vessel described above as Sierra Leonean ship was terminated and on the date given below and an entry was made in the merchant ship Register to this effect.
- At the time of de-registration the following particulars of encumbrances and rights were registered on the vessel:

The vessel is free from all registered Encumbrances and Mortgages on the register of Sierra Leone.

- The reason for de-registration of the vessel is:

Sold and transferred:

Place and Date of issuance

Freetown, Sierra Leone on 13 November 2019 at 08:53 UTC

This is an electronically generated certificate. It has been digitally signed and stamped.



Assistant Registrar

To Whom it may Concern: Authenticity of this certificate can be verified through the Flag Administration's website at [www.slmaraol.com](http://www.slmaraol.com) based on the Certificate Number or by contacting directly the Flag Administration through the contact details at the bottom of the certificate.

Sierra Leone Maritime Administration SLMARAD  
[info@slmaraol.com](mailto:info@slmaraol.com) [www.slmaraol.com](http://www.slmaraol.com)

VHQ-200-19-2949

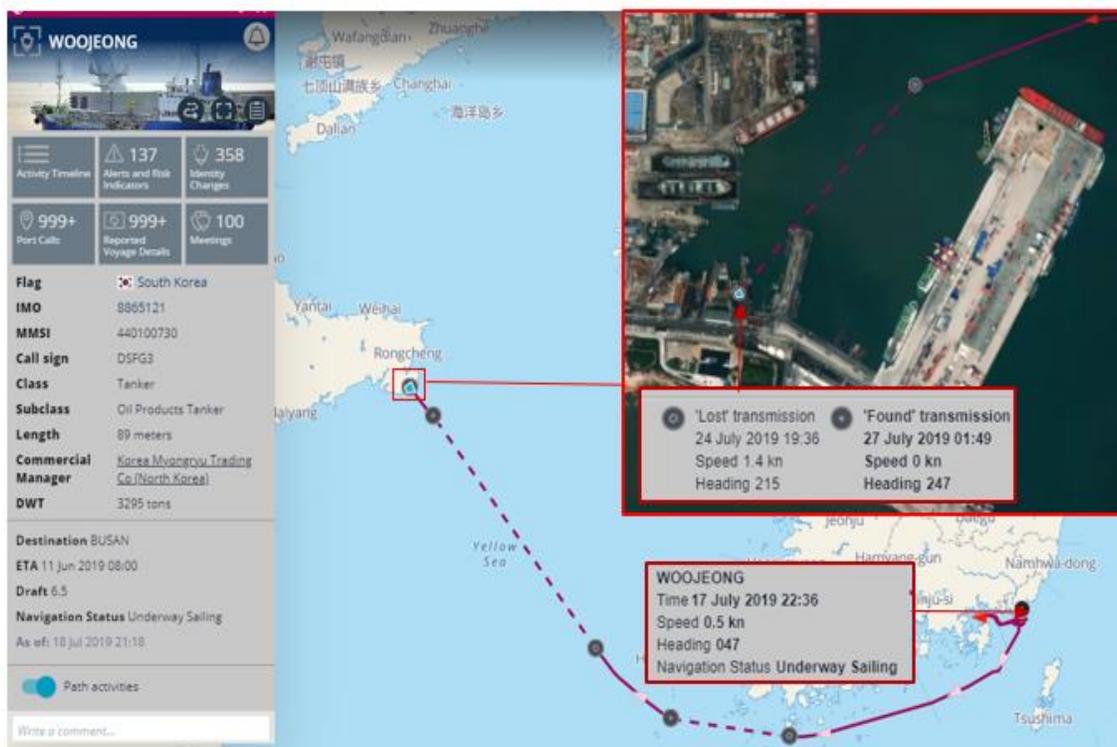
Page 1 of 1

Source: The Panel

### Annex 38a: *Sin Phyoung 5 (fka Woo Jeong)* (IMO: 8865121)

The *Woo Jeong* was ROK-flagged from May 2010 to September 2019<sup>34</sup>. Sometime in 2021, the vessel was updated as DPRK-flagged. The *Woo Jeong* last transmitted an AIS signal around 27 July 2019 (EST) off Shidao, China (see figure annex 38a). Prior to this, the vessel sailed a domestic route. ROK authorities confirmed the dates the vessel sailed under its ship registry and provided documentation on the vessel.

**Figure Annex 38a: Excerpt from a specialized maritime database platform showing voyage details of the *Woo Jeong*, July 2019**



Source: Windward, annotated by the Panel

<sup>34</sup> Member State.

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Maritime database information<sup>55</sup> listed the vessel was owned and operated by the ROK-incorporated Young Sung Global Co Ltd (hereafter “Young Sung Global”) from June 2012 until July 2019. In October 2020, the vessel was reported to have come under the DPRK ownership of Korea Myongryu Trading Co.

According to Young Sung Global, it signed a ship brokerage agreement on 1 July 2019 with a Busan-based ship brokering entity that “carried out the overseas sale of *Woo Jung* [sic]”. A Chinese broker for the buyer was identified via a Seoul-based ship brokering entity. The buyer was seeking to purchase the vessel “where fast delivery was possible”. A Memorandum of Agreement for the ship sale (see annex 38b) was signed on 8 July 2019, with the transfer of the vessel to the buyer, Deepika Shipping and Trading Ltd, within the same month (see annex 38c). Young Sung Global provided other documentation related to the vessel’s sale.

Investigations continue.

*Source:* The Panel

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<sup>55</sup> Ibid.

**Annex 38b: Excerpts : Addendum to the Memorandum of Agreement of sale for Woo Jeong**

Addendum No. 1  
to the MOA dated 8<sup>th</sup> July 2019  
made between  
JY SNP CO., LTD  
on behalf of the Owners (YOUNG SUNG GLOBAL CO., LTD)  
(as Sellers)  
And  
DEEPIKA SHIPPING AND TRADING LTD or their nominee  
(as Buyers)  
for MT "WOO JEONG" (The "Vessel")

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It is hereby mutually agreed by the Sellers and the Buyers that:

**A) In exchange for payment of the Purchase Price, the Sellers shall furnish the Buyers with the following documents:**

1. (1) One original notarized Bill of Sale, ( Form No. 10A) in favor of the Buyers certifying that the vessel is free from all encumbrances, mortgages, maritime liens, taxes and/or any other debt or claims whatsoever duly signed by the director or the Sellers or their duly appointed Attorney and dated. The full name and designation of the signatory to the Bill of Sale to be clearly specified on the Bill of Sale.
2. Original Transcript of Registry issued by Korean Ship Registry stating that the vessel's register is free from registered encumbrances, mortgages. This certificate must not be dated more than 3 working days prior to Sellers tendering the Notice of Readiness and must not reference any mortgages, maritime liens, debts, taxes, financial liabilities/obligations whatsoever on the vessel. (If its not in English, the English translation to be notarized). The Sellers and Buyers agreed that the Sellers provide the "Real Estate Register in Korean language + translated in English which should be duly notarized.
3. Minutes of the Resolutions of the Board of Directors of the Sellers signed by the Directors of the Sellers resolving the sale of the Vessel in accordance with the terms and conditions of the MOA, approving same and appointing/authorizing the Attorney(s)-in-Fact to, inter alia, execute and deliver the Bill of Sale, the Protocol of Delivery and Acceptance and any other documents required for the legal and physical delivery of the Vessel, and to agree on the quantity of the remaining bunkers, unused lubricating oils

1

2. Original Power of Attorney authorizing person to execute the MOA and its Addenda, to execute the delivery documents. To execute the "Protocol of Delivery and Acceptance" with the Sellers, authorize representatives and to complete all formalities of the documentary closing of the vessel for and on behalf of the Buyers

C). Documents to be executed by Sellers and Buyers:

1. Protocol of Delivery and Acceptance to be executed in 3 original copies by Sellers and Buyers authorized representatives at the place of closing and the place of physical delivery stating the date, time and place of the physical delivery of the Vessel.

This addendum No.1 to be deemed as an integrated part of the MOA.

For and on behalf of Buyers:

\_\_\_\_\_  
Name:  
Title: bb

For and on behalf of Sellers:

*For and on behalf of*  
Deepika Shipping and Trading Ltd  
\_\_\_\_\_  
Name: *(Authorized Signatures)*  
Title:

**Addendum No. 2**

Vessel: **MT "WOO JEONG"** (IMO No.8865121) (hereinafter called the "Vessel")  
Sellers: **JY SNP CO., LTD**  
Buyers: **DEEPIKA SHIPPING AND TRADING LTD**  
New Buyers : **ZHANG RUSHENG**

With reference to the Memorandum of Agreement made on 8<sup>th</sup> July 2019 by and between the Sellers and the Buyers on the sale of the Vessel (the MOA), it is mutually agreed by both parties as follows:-

**DEEPIKA SHIPPING AND TRADING LTD** hereby nominate **ZHANG RUSHENG, PASSPORT NO. E38277026** as Buyers of the Vessel and **JY SNP CO., LTD** acknowledge this nomination which is accepted by the Nominee.

1) The Nominee's performance of the MOA is fully guaranteed by **DEEPIKA SHIPPING AND TRADING LTD**

All other terms, conditions and exceptions of the MOA, Addendum No.1 shall remain unchanged and effective in full force.

IN WITNESS WHEREOF, the parties hereto have signed and executed this Addendum No.2 in duplicate this 10th day of July, 2019.

For **JY SNP CO., LTD**

  
Name: \_\_\_\_\_  
Title : Attorney – In - Fact

For **DEEPIKA SHIPPING AND TRADING LTD** *For and on behalf of*  
Deepika Shipping and Trading Ltd

  
Name: \_\_\_\_\_ *Authorized Signature(s)*  
Title : Representative Director

For **ZHANG RUSHENG**

  
Name: \_\_\_\_\_  
Title : Director

Source: The Panel

Annex 38c: Export Declaration Certificate



수출신고필증(수출이행, 감지)



× 처리기간 : 즉시

① 신고자 관세법인 사인 서정남	② 신고번호 43052-19-070665X	④ 세관.과 030-15	⑦ 신고일자 2019-07-18	⑧ 신고구분 H 일반P/L신고	③ C/S구분 A
④ 수출대행자 주식회사 제이와이엠텐피 (통관고유부호) 제이와이-1-18-E-01-9 수출자구분 8 수출회주 (주)영성글로벌 (통관고유부호) 영성글로벌-1-96-1-01-7 (주소) 부산광역시 중구 대청로 148 (충영동 2가) (대표자) [REDACTED] (소재지) 48957 (사업자등록번호) 604-81-31662		⑤ 거래구분 11 일반형태	⑥ 종류 A 일반수출	⑩ 결제방법 TT 단순송금방식	
		⑧ 목적국 CH PR_CHMA	⑨ 적재항 KRPU5 부산항	⑪ 선박회사 (항공사) ⑫ 적재예정보세구역 O3046000	
		⑬ 운송형태 10 BU	⑭ 검사희망일 2019/07/18		
		⑮ 물품소재지 49000 칠드세포트 부산 영도구 해양로 33-52 03055599 /			
① 제 조 자 미상 (통관고유부호) 제조미상-9-99-9-00-0 제조장소 48957 산업단지부호 999		② L/C번호		⑯ 물품상태 0	
④ 구 매 자 ZHANG RUSHENG(ON BEHALF OF DEEPIKA SHIPPING ANG TRADING (구매자부호) CNZHANGR0015R		③ 사전임시개청통보여부 N		⑰ 반송 사유	
		⑭ 면급신청인 (1:수출대행자/수출회주, 2:제조사) 자용간이정액함급 N0			
* 품명·규격 (탄번호/총린수 : 001/001 )					
⑱ 품 명 USED TANKER			⑳ 상표명		
㉑ 거래품명 USED OIL TANKER					
㉒ 모델·규격		㉓ 성분	㉔ 수량(단위)	㉕ 단가(USD)	㉖ 금액(USD)
		1 란 을 지 계속			
㉗ 세번부호 B901.20-0000	㉘ 순중량 1,579,000.0 (KG)	㉙ 수량 1 (U)	㉚ 신고가격(FOB) \$510,000	₩594,369,300	
㉛ 송품장부호 JY-CI-190715	㉜ 수입신고번호	㉝ 원산지 JP---N	㉞ 포장갯수(종류) 1(GT)		
㉟ 수출요건확인 (발급서류명)					
㊱ 총중량 1,579,000.0 (KG)	㊲ 총포장갯수 1(GT)	㊳ 총신고가격 (FOB) \$510,000		₩ 594,369,300	
㊴ 운임(W) 0	㊵ 보험료(W) 0	㊶ 결제금액 FOB-USD-510,000.00			
㊷ 수입허용 관리번호		㊸ 컨테이너번호 N			
x신고인기재란		㊹ 세관기재란			
㊺ 운송(신고)인	㊻ 기간 부터 까지	㊼ 적재의무기한 2019/08/17	㊽ 담당자	㊾ 신고수리일자 2019/07/18	

발행번호 : 2019843317192(2019.07.24)

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(1) 수출신고수리일로부터 30일내에 적재하지 아니한 때에는 수출신고수리가 취소됨과 아울러 과태료가 부과될 수 있으므로 적재사실을 확인하시기 바랍니다.  
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Source: The Panel

**Annex 39: *Tae Phyong 2* (fka *Ming Zhou 6*) (IMO number: 8602763)**

Updated information confirmed the *Ming Zhou 6* was acquired by the DPRK and re-named *Tae Phyong 2* in July 2020. Since then, a Member State reported the *Tae Phyong 2* had returned to deliver DPRK-origin coal in Ningbo-Zhoushan waters and proceeded to load bagged cargo of unknown origin at Longkou port, China. China informed the Panel that “... *Tae Phyong 2* entered Longkou port empty-loaded, and sailed to Nampo port after loading the fertilizers and pesticides”.

The Panel reported that the DPRK was suspected to have acquired the formerly China-flagged vessel *Ming Zhou 6* through a joint venture between China and DPRK entities set up to transfer the vessel (IMO: 8602763)<sup>36</sup>. Publicly available information reported the vessel sold around May 2019 for demolition by its owner and operator, Ningbo Marine Co. Ltd. (hereafter, Ningbo Marine). According to a commercial maritime database, the *Ming Zhou 6* was then recorded as ‘broken up’<sup>37</sup>.

The vessel was reported sold with a ‘scrap ship sale contract’<sup>38</sup> and a May 2019 delivery at Wenzhou Anchorage to Chinese national: Su Jianpo<sup>39</sup>. Two other individuals Chen Jinbao and Weng Mingguo were also reported by the Member State to have been directly involved in the delivery of *Ming Zhou 6* to the DPRK. Information provided by a Member State indicates that the DPRK acquired the vessel by late May 2020 following a joint venture agreement the DPRK-based Jinmyong Trading Corporation (hereafter “Jinmyong Trading”) and the China-based Dandong Economic Cooperation Border Maritime Processing Company in November 2019, with Jinmyong Trading acquiring the *Ming Zhou 6* by late May 2020. 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 specialized maritime AI platform showed the *Ming Zhou 6* with an AIS transmission in May 2019 in Wenzhou, Zhejiang Province before ceasing transmission. A vessel transmitting its identification with the IMO number 8602763 and with the registered owner given as Ningbo Marine was recorded on the same commercial maritime database transmitting AIS on 1 October 2019 (EST) off Pingtan Island, Fujian Province.

China replied that the *Ming Zhou 6*’s registration was cancelled in May 2019, with no records of the vessel entering or leaving Chinese ports. The vessel is one of the largest acquired cargo vessels. The vessel was captured on satellite imagery laden with DPRK-origin coal at Nampo in July 2020 (see figure annex 39-1). In March 2021, the vessel was recorded loading bagged cargo of unknown origin at Longkou port, China (see figure annex 39-2).

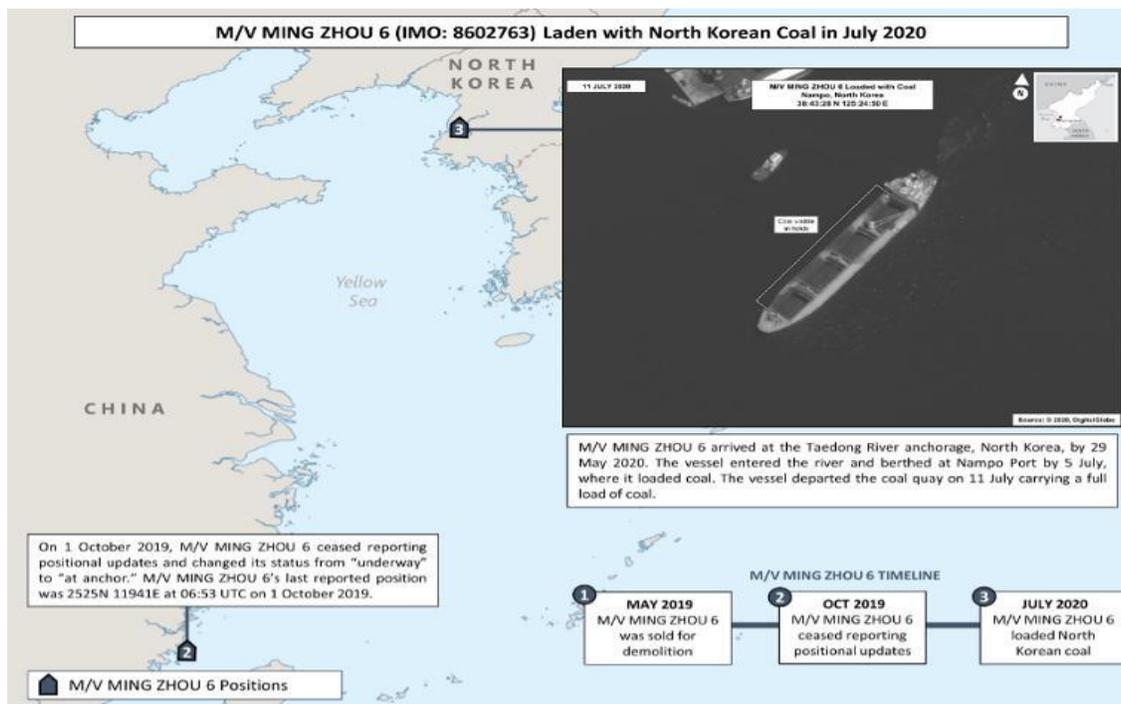
<sup>36</sup> Paragraph 71-72, S/2021/211.

<sup>37</sup> IHS Markit

<sup>38</sup> [Source: http://nbmc.com.cn/download.jsp?id=832](http://nbmc.com.cn/download.jsp?id=832)

<sup>39</sup> 苏建坡

**Figure Annex 39-1: Storyboard of *Ming Zhou 6* ending up in the DPRK, 2019-2020**



Source: Member State

**Figure Annex 39-2: *Tae P(h)yong 2* (fka *Ming Zhou 6*) loading bagged cargo of unknown origin, Longkou, China, March 2021**



Source: Member State

Figure Annex 39-3: *Tae P(h)yong 2* (fka *Ming Zhou 6*) voyage, March 2021



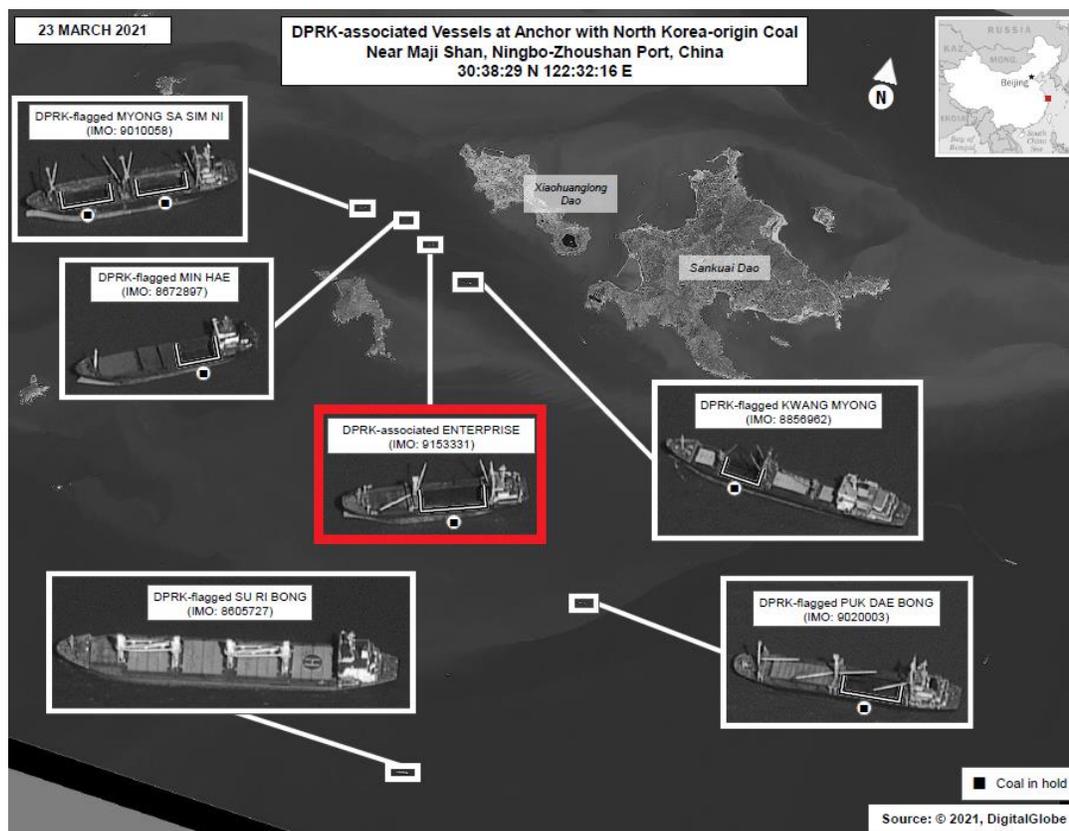
Source: Windward, Planet Labs, annotated by the Panel

Note: Inset imagery is for location purpose and not reflective of the actual date of capture per the AIS transmission overlay.

### Annex 40: *Enterprise* (IMO: 9153331)

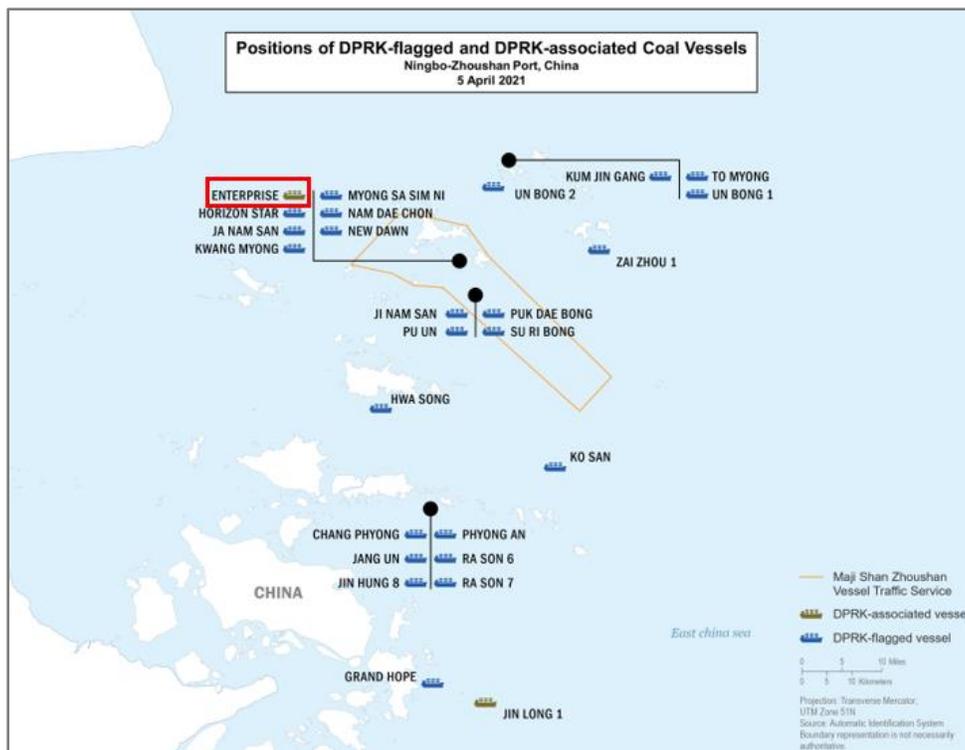
The DPRK-associated *Enterprise* has continued to sail and export DPRK-origin coal despite it being suspended from the Togo ship registry since June 2020<sup>40</sup>. In 2021, the *Enterprise* returned to Ningbo-Zhoushan waters (see figures annex 40-1 and 40-2).

**Figure Annex 40-1: *Enterprise* alongside other DPRK vessels, Ningbo-Zhoushan, China, 25 March 2021**



Source: Member State

<sup>40</sup> S/2021/211.

Figure Annex 40-2: *Enterprise* alongside other DPRK vessels, Ningbo-Zhoushan, China, 5 April 2021

Source: Member State

Panel investigations show a connection between the owners and operators of the *Enterprise* with those of the designated *Jie Shun* (IMO: 8518780).<sup>41</sup>

### Networks

The Panel reported that about four months prior to the *Enterprise*'s arrival at Nampo, DPRK, the vessel's ownership and management was transferred to entities with listed addresses in China. Tai Yuan Shipping Co Ltd (hereafter "*Tai Yuan*") was recorded as the vessel's group owner since June 2019, with the vessel's registered owner as Blue Sky Shipping Co Ltd (hereafter "*Blue Sky*"). Blue Sky is listed in the care of Dalian Taiyuan International Shipping Agency Co Ltd (hereafter "*Dalian Taiyuan*")<sup>42</sup>. Dalian Taiyuan, the vessel's operator and manager since June 2019, lists an address in Dalian, Liaoning Province<sup>43</sup>.

<sup>41</sup> Vessel was designated in October 2017.

<sup>42</sup> IMO website.

<sup>43</sup> Room 2112B, World Trade Center, 25 Tongxing Jie, Zhongshan Qu, Dalian, Liaoning, 116001, China.

Shipping records obtained by the Panel show the managers of *Enterprise* as Dalian Taiyuan with a different address: #32, Wuwu Road, Zhongshan District, in Dalian (see figure annex 40-3). This address has the same co-located building address as Vast Win Trading Limited, the former owner of the designated *Jie Shun*. The *Enterprise*'s former owner and operator when it was sailing as *Blue Sky*, Jitsu Limited, also lists the same associated address (see figure annex 40-4), indicating a continued management association despite a change in the names of the entities. Sale documentation of *Blue Sky* when it was purchased by Jitsu Limited, lists a Gu Min as the Jitsu Limited's sole Director (see figure annex 40-5). A "Ms Gu Min" was listed by the Panel has the Director of Bene Star, along with Mr Pan Wei Chao, Director of Pantech Shipping Ltd.; and Mr Li Qi, vice-president of Dalian Shenghao International Trade Ltd, as involved in the export of coal and iron ore from the DPRK<sup>44</sup>. Investigations continue.

**Figure Annex 40-3: Last listed operator of *Enterprise* Dalian Taiyuan International Shipping Agency Co Ltd's address**

RÉPUBLIQUE TOGOLAISE TRAVAIL – LIBERTÉ – PATRIE				TOGOLESE MARITIME AUTHORITY INTERNATIONAL SHIP REGISTRY	
<b>PROVISIONAL MINIMUM SAFE MANNING CERTIFICATE</b>					
Certificate Number: TG/MSM/139-38512/134/FE					
TYPE OF SHIP :	GENERAL CARGO	OFFICIAL NUMBER :	TG-01241L		
IMO NUMBER :	9153331	CALL SIGN :	S V F X 6		
NAME OF SHIP	ENTERPRISE	GROSS TONNAGE	4743	MAIN ENGINE'S PROPULSION	2427 KW
<p><i>It is hereby confirmed that having regard the provisions of the regulation V/14(2) of SOLAS 1974 as amended, taking into account the Principles of Safe Manning as contained in IMO Resolution A.1047 (27) related to the Safe Manning and the national requirement of the Togolese Republic, the above mentioned ship is considered safely manned, if whenever proceeds to sea, carries not less than the number and grades of personnel shown in this document, taking into account any special condition stated herein:</i></p>					
<b>DECK AND ENGINE MANNING</b>					
GRADE / CAPACITY	STCW REG.	NR.	GRADE / CAPACITY	STCW REG.	NR.
Master	II/2	1	Chief Engineer	III/3	1
Chief Mate	II/2	1	Second Engineer	III/3	1
Deck Officer(s)	II/1	1	Engineer Officer(s)	III/1	1
Deck Rating(s)-watch or Able seafarer Deck	II/4 or II/5	2	Electro-Technical Officer		
Deck Rating(s)	VI/1	1	Engine Rating(s) watch or Able Seafarer Engine	III/4 or III/5	1
			Electro-Technical Rating	III/7	1
			Engine Rating(s)	VI/1	1
<b>CONDITIONS TO BE TAKEN INTO ACCOUNT</b>					
1. A minimum of Two (2) Watch keeping deck Officers or one dedicated radio Officer are required to have the appropriate GMDSS Radio operator certificate, General or Restricted, depending upon the ship's intended Area of Operation.					
2. Trading area : UNRESTRICTED VOYAGE					
3. Periodically unattended machinery space (Yes / No) : No					
4. Operating Company: DALIAN TAIYUAN INT'L SHIPPING AGENCY CO., LTD.					
5. ADDRESS: ROOM 409, ANDA BUSINESS BUILDING, NO.32 WUWU ROAD, HAJUN SQUARE STREET, ZHONGSHAN DISTRICT, DALIAN CITY, LIAONING PROVINCE, CHINA					
This certificate is issued on the 14 <sup>th</sup> day of the month JUNE of the year 2019 under the authority of the Directorate of Maritime Affairs of the Government of the Togolese Republic and it remains valid until the 15 <sup>th</sup> day of the month DECEMBER of the year 2019.					
For the International Ship Registry of Togo					
 Deputy Registrar					

Source: Member State

<sup>44</sup> Paragraphs 66-69 and Annex 7, S/2017/150.

Figure Annex 40-4: Former owner and operator of *Enterprise* (sailing as *Blue Sky*), Jitsu Ltd, with a co-located building address with last listed operator of *Enterprise*, Dalian Taiyuan International Shipping Agency Co Ltd

REPUBLICQUE TOGOLAISE TRAVAIL - LIBERTE - PATRIE		 TOGOLESE MARITIME AUTHORITY INTERNATIONAL SHIP REGISTRY	
<b>FORM 1</b> <b>CONTINUOUS SYNOPSIS RECORD (CSR)</b> <b>DOCUMENT NUMBER 08 FOR THE SHIP WITH IMO NUMBER: 9153331</b> Dates should be in format yyyy/mm/dd.			
<b>Information</b>			
1	This document applies from (date):	2018/JULY/20	
2	Flag State:	REPUBLIC OF TOGO	
3	Date of Registration with the State indicated in 2:	2018/JUNE/20	
4	Name of Ship:	BLUE SKY	
5	Port of registration:	LOME	
6	Name of current registered owner(s):	JISU LIMITED (100%)	
	Registered address(es):	UNIT 5, 27/F., RICHMOND COMM. BLDG., 109 ARGYLE STREET, MONGKOK, KOWLOON, HONG KONG	
7	Registered owner Identification Number	5968851	
8	If applicable, name of current registered bareboat charterer(s):	N/A	
	Registered address(es):		
9	Name of Company (International Safety Management):	JISU LIMITED	
	Registered address (es):	UNIT 5, 27/F., RICHMOND COMM. BLDG., 109 ARGYLE STREET, MONGKOK, KOWLOON, HONG KONG	
	Address(es) of its safety management activities:	#32 WUWU ROAD, ZHONGSHAN DISTRICT, DALIAN, CHINA	
10	Company Identification Number	5968851	
11	Name of all Classification Societies with which the ship is classed:	UNIVERSAL MARITIME BUREAU CO., LTD.	
12	Administration/Government/Recognized Organization which issued Document of Compliance:	UNIVERSAL MARITIME BUREAU CO., LTD.	
	Body which carried out audit (if different):		
13	Administration/Government/Recognized Organization which issued Safety Management Certificate:	UNIVERSAL MARITIME BUREAU CO., LTD.	
	Body which carried out audit (if different):		
14	Administration/Government/Recognized Organization which issued International Ship Security Certificate:	UNIVERSAL MARITIME BUREAU CO., LTD.	
	Body which carried out verification (if different):		
15	Date on which the ship ceased to be registered with the State indicated in 2:	N/A	
16	Remarks	N/A	

THIS IS TO CERTIFY THAT this record is correct in all respects  
 Issued by the Ship Registrar of the Togolese Directorate of Maritime Affairs

Date of issue: 2018/JULY/20

For the International Ship Registry of Togo  
 Vera N. Medawati  
 Registrar



This document was received by the ship and attached to the ship's CSR file on the following date  
 Date: \_\_\_\_\_ Signature: \_\_\_\_\_

Source: Member State

Figure Annex 40-5: Documentation of Jitsu Limited's purchase of *Blue Sky* (*nka Enterprise*)

**BILL OF SALE (Body Corporate)**

Form No. 10A No. 79 A (Sale)

Official Number IMO: 9153331	Name of Ship DADE DUNHUA	Year and port of registry 1996, NR.	Whether a sailing, steam or motor ship MOTOR VESSEL	Horse power of engines (if any) 2,427 KW		
Length from fore part of stem, to the aft side of the head of the stern post/fore side of the rudder stock (ITC) Main breadth to outside of plating Depth in hold from tonnage deck to ceiling amidships		Meters	Centimeters	Number of Tons		
		84	90	Gross	Net	
		17	70	4743	2763	
		12	00			

and as described in more detail in the Certificate of the Surveyor and the Register Book

We (a) CHINA SHUANGMUFENG SHIPPING CO., LTD (hereinafter called the "Transferors") having our principal place of business at Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro, Marshall Islands MH96960 in consideration of the sum of US\$600,000 (Saying United States Dollars Six Hundred Thousand only) paid to us by (hereinafter called the "Transferees") the Receipt whereof is hereby acknowledged, transfer ALL shares in the Ship above particularly described, and in her boats to the Transferees (b) JISU LIMITED with address Units, 27/F., Richmond Comm. Bldg., 109 Argyle Street, Mongkok, Kowloon, Hong Kong.

Further, we, the said Transferors for ourselves and our successors covenant with the said Transferees and (c) their assigns, that we have power to transfer in manner aforesaid the premises herebefore expressed to be transferred, and that the same are free of all encumbrances, maritime liens, mortgages, arrests, taxes and any other claims whatsoever.

In witness whereof we have hereunto affixed our common seal this ..... day of June of the year 2018.

For and behalf of the Transferors:  
*For and on behalf of*  
 CHINA SHUANGMUFENG SHIPPING CO., LTD  
 CHINA SHUANGMUFENG SHIPPING CO., LTD

By: [Redacted]  
 Title: Director

(a) Insert title in FULL of the Body Corporate (b) Insert name and address in full and description of transferee or transferees (c) Insert "his", "her" or "their".  
 (d) If there are subsisting mortgages, or outstanding Certificate of Mortgage or Sale, add "save as appears by the Registry of the said ship".  
 (e) Description of Witnesses: Directors, Secretary, etc. (as the case may be)

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 case of residence on their part.

**ACCEPTANCE OF SALE**

PARTICULARS OF THE VESSEL			
Registration No:	48800-17	Name of Vessel:	DADE DUNHUA
Port of Registry:	PANAMA	Type of Vessel:	GENERAL CARGO SHIP
HP of Engine if any:	2427KW	Length:	84.90
Recorded in	Tonnage	Breadth:	17.70
Book	Gross: 4743	Depth:	12.00
Page	Net: 2763	<i>and as described in more details in the certificate of the surveyor and Register Book</i>	
Entry	Underdeck		
ACCEPTANCE OF SALE			
<p>The undersigned <u>GU MIN</u> on behalf of and representing the Corporation named <u>JISU LIMITED</u> in the above Bill of Sale, in my position as <u>DIRECTOR</u> of the said Corporation, HEREBY ACCEPT for all legal purposes the sale and transfer effected by the said Bill of Sale to the said corporation by <u>CHINA SHUANGMUFENG SHIPPING CO., LTD</u> of the VESSEL <u>M/V DADE DUNHUA (TBN: M/V BLUE SKY)</u> referred to in the attached Bill of Sale.</p> <p>Dated the <u>14TH</u> day of <u>JUNE, 2018</u></p> <p><u>GU MIN AS DIRECTOR</u> [Redacted Signature]</p> <p>Name &amp; Signature of PURCHASERS</p>			

\*Remark : Applicant should record with ship's actual corresponding data.

Source: The Panel

## Annex 41: DPRK documents related to Fishing Rights Transfer

According to information provided by a Member State, the Democratic People's Republic of Korea (DPRK) continues to sell fishing rights to a third country. Investigations carried out by the relevant authorities of that Member State on separate deployments of third country fishing fleets to and from the DPRK waters have revealed the following:

### DPRK issued Fishing Rights Certificate and Insurance Policy

In January 2020, the Member State's Coast Guard conducted inspections on fishing fleets moving southward from DPRK waters and obtained several official documents, including a fishing rights certificate and insurance policy issued by the Korea National Insurance Corporation of DPRK, a United Nations-designated entity (KPe.048).



*Fishing Rights Certificate*



*Insurance Policy*

Source: Member State

It is stipulated in the fishing rights certificate that the initial “Term of fishing fill”, the period for permitted fishing, was May to December 2019. An additional period for permitted fishing, January 1 to 15 2020, was added by handwriting. The insurance policy was issued in May 2019.

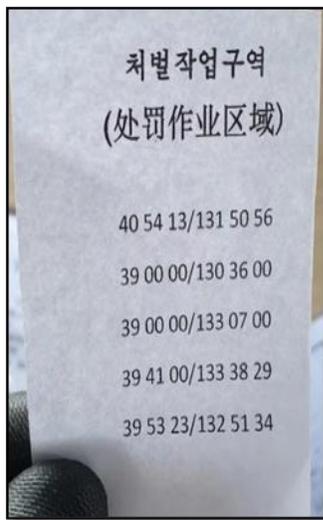
In May 2020, the Member State's Coast Guard was informed by radio from a fishing fleet heading towards DPRK waters that approximately 200 fishing vessels were engaged in fishing in DPRK waters. Some crew members of these fishing vessels mentioned that they would receive DPRK fishing rights certificates and fuel upon arrival in DPRK waters at a spot designated by DPRK officials.

**“Punishment Work Area” and Guidelines for Fishing in the Area**

In November 2020, inspections were carried out on several fishing vessels leaving southwards from DPRK waters due to deteriorating weather conditions. During these inspections, the Member State’s Coast Guard obtained a DPRK map illustrating what was literally called a “punishment work area”<sup>45</sup>, which included several inspection points and routes to enter/exit the area, and a guideline <sup>46</sup> for fishing activities in the area. These documents were issued by DPRK’s Coast Guard and Emergency Disinfection Unit<sup>47</sup>.



*Map of the “Area” with Coordinates*



*Issued Guideline*

Source : Member State

The first paragraph of the guideline reads “In respect to the dangers posed by (a third country’s fishing vessels) to the DPRK regarding the <<New Coronavirus>> which is the gravest threat to the whole world and humanity, the (third country’s) fishing vessels, who undergo punishment activities under the strict surveillance of the DPRK Coast Guard and Emergency Disinfection Unit, should strictly abide by the following administrative rules.”

<sup>45</sup> 처벌작업구역 (in Korean)

<sup>46</sup> The guideline appears to be administrative rules for the third country’s fishing fleets to follow when fishing in DPRK waters.

<sup>47</sup> 조선민주주의인민공화국 해양경비대, 조선민주주의인민공화국 비상방역대 (in Korean)

The crew members of the inspected fishing vessels mentioned that fishing was allowed in that area only when it was permitted by the DPRK authorities. The Member State assessed that due to COVID-19, the fishing vessels and their crew members were seemingly required to undergo disinfection measures as a precondition to fishing under the strict surveillance of the DPRK authorities.

The Panel has reviewed the Korean language guidelines and finds it difficult to conclude why the area is called a “punishment work area”. However, fishing activity appears to be strictly restricted to this area and fishing vessels may only enter the area to fish with DPRK permission and some form of COVID-19 disinfection measures. There would be consequences – including as a form of “punishment”, seizure of vessels, confiscation of fishing gear and the vessels’ catch, imposition of fines, and deportation – for fishing vessels which did not follow these strict guidelines.

**Annex 42: China's reply to the Panel****2. Fishing rights (OC.175)**

China's fishing authority and relevant coastal provinces have taken measures to strengthen management and demand the fishing companies and fishermen to strictly follow the Security Council resolutions. China's position on illegal acquiring fishing rights is clear, that is, such activities, once verified, will be dealt with in accordance with laws and regulations.

According to China's investigation, no substantial evidence was found on the alleged involvement of General Association of Koreans in China and Weihai Peninsula Vessel Fuel Co., Ltd.. The information provided by the Panel, which is based solely on fragmented reports from certain media, could not serve as basis for us to carry out in-depth investigation. China hopes the Panel does not include relevant information in its report.

*Source* : Member State

### Annex 43: Coal exports by DPRK vessels in 2020<sup>48</sup>

In 2020, a Member State reported at least 4.8 million metric tons of coal and possibly other sanctioned minerals in 636 shipments to China, using a mix of ship-to-ship transfers in Chinese territorial waters and direct shipments aboard China-flagged coastal barges. DPRK-flagged and controlled vessels accounted for 58% of exports by volume, with these vessels offloading 96% of their coal via ship-to-ship transfer at Ningbo-Zhoushan Port, China. The remaining ship-to-ship transfer area took place in Chinese waters in the Lianyungang area. 42% of exported DPRK-origin coal were directly delivered by China-flagged coastal barges that picked up coal at DPRK ports and delivered the coal to Chinese ports primarily along the Yangtze River.

**Table Annex 43: Shipment breakdown of the DPRK's maritime coal exports in 2020.**

Vessel Type	Number of Shipments	Metric Tons Exported	Percentage
DPRK-controlled fleet	441	2,770,000	58%
China-flagged coastal barges	195	2,037,000	42%
<b>Total</b>	<b>636</b>	<b>4,807,000</b>	100%

Source: Member State

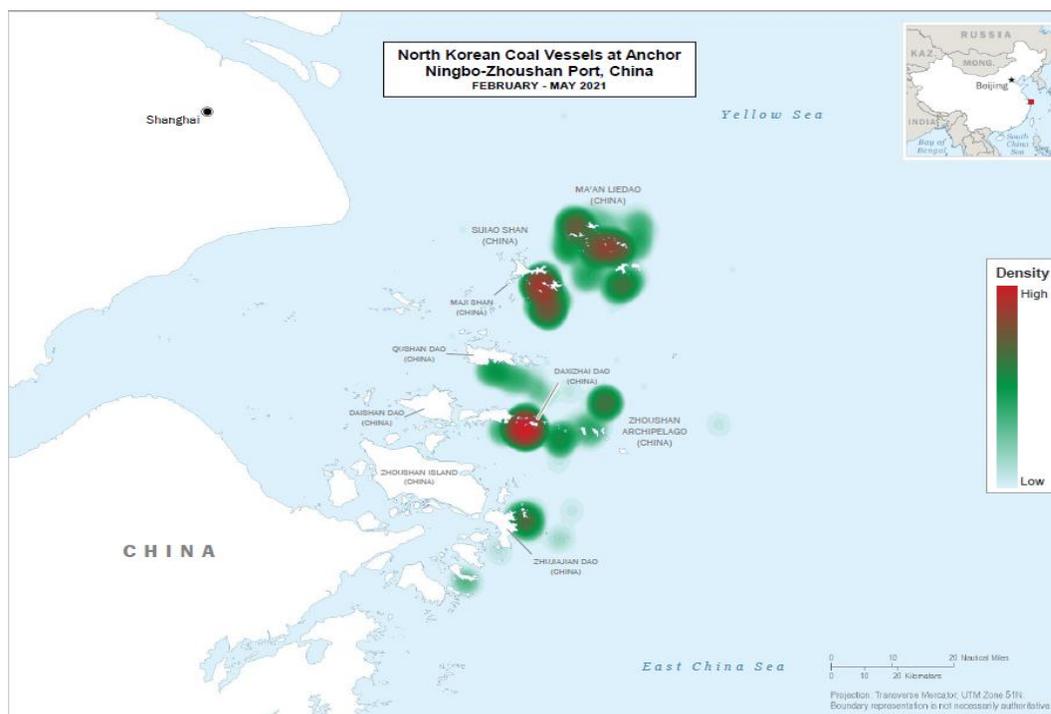
<sup>48</sup> Two experts expressed the view that the data in this annex needs to be further verified.

#### Annex 44: Ship-to-ship transfers of coal by DPRK vessels, Ningbo-Zhoushan, China

The 26 DPRK-flagged and DPRK associated vessels in the Ningbo-Zhoushan area on 5 April 2021 referenced in the Panel's report at paragraph 89, figure 12, were assessed by a Member State to have offloaded DPRK-origin coal via ship-to-ship transfers in Chinese territorial waters. Many of these vessels that have been featured in the Panel's past reports illicitly exporting coal to China since at least 2018.

The Panel's reports have also referenced the presence of DPRK vessels and of DPRK-origin coal transfers assessed to have taken place near or at a number of Chinese port jurisdictions, including near the Ningbo-Zhoushan area. figure annex 44 shows the various anchorages where DPRK vessels congregated between February and May 2021, with the higher density clusters near: Ma'an Liedao, Maji Shan, Qushan Dao, Daxizhai Dao, the Zhoushan Archipelago, and Zhujiajian Dao. These located waters have been highlighted in previous Panel reports<sup>49</sup> for the DPRK's export of its coal through ship-to-ship transfers to local vessels.

**Figure Annex 44: DPRK vessels and DPRK associated vessels at anchor in Ningbo-Zhoushan waters, February to May 2021**



Source: Member State

<sup>49</sup> S/2020/840 and S/2021/211.

The Panel wrote to China requesting information on the DPRK vessels present in Chinese waters, the identifiers they were transmitting under, these vessels' cargo, any ship-to-ship transfers conducted in Chinese waters with the type and amount of cargo offloaded, information on the receiving vessels' identities along with the entities and individuals that operated the receiving vessels and the offloaded coal cargo's end destination.

China responded:

**(6) OC.74**

The Panel's letter claimed that 26 DPRK-flagged and DPRK-associated vessels appeared in the Ningbo-Zhoushan area on 5

April, 2021. Relevant Chinese authorities conducted investigation accordingly. The 10 vessels with IMO number did not enter Chinese ports around 5 April 2021. Among these 10 vessels, *Kum Jing Gang* and *Un Bong 2* submitted port-entry requests to Dalian and Yantai respectively, but in fact they did not enter ports. Regarding the other 16 vessels without IMO number, China could not check their information as China is not the flag state of these vessels.

China attaches great importance to DPRK-related smuggling activities through ship-to-ship transfers. Relevant Chinese authorities have overcome numerous difficulties including the pandemic-related restrictions, done a great deal of job, and conducted careful investigation and verification on every single letter from the Panel. China hopes the Panel treats China's feedback in a prudent manner, and does not include in its report information which is unverified or inconsistent with the facts.

Source: Member State

**Annex 45: Imagery of DPRK vessels in patrolled waters**

*This annex is confidential.*

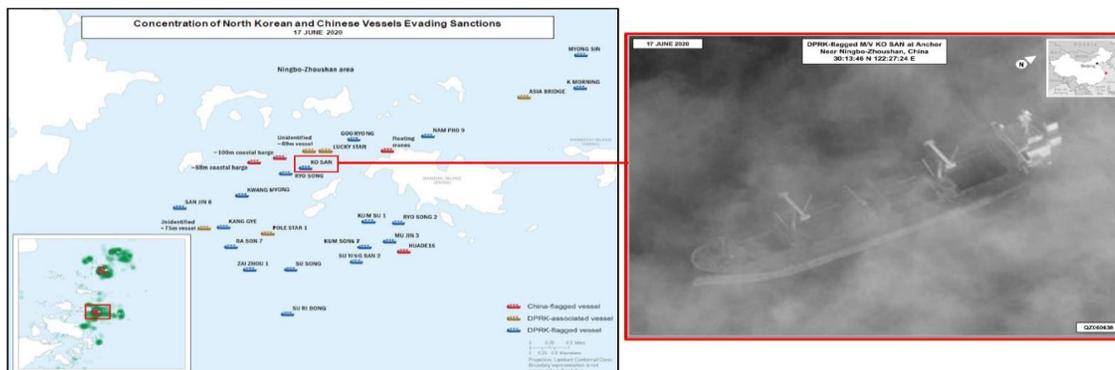
## Annex 46: DPRK vessels exporting prohibited coal and importing humanitarian cargo in a single voyage

Of the 26 DPRK-associated cargo vessels that were anchored outside of Nampo Lock Gate as on 11 May 2021 (see figure 14, paragraph 99 of this report's maritime section), several of the vessels returned from Ningbo-Zhoushan empty after delivering North Korea-origin coal, according to a Member State. Half of the vessels returned from other Chinese ports, mostly Longkou Port, possibly with humanitarian aid such as fertilizer and foodstuffs. Some of those vessels, such as the DPRK-flagged *Tae Phyong 2* (IMO: 8602763), delivered coal to Ningbo-Zhoushan before transiting to Longkou. Most of these vessels will likely continue to wait before being allowed to offload cargo at Nampo or other ports along the Taedong River<sup>51</sup>.

### DPRK-flagged *Ko San* (IMO: 9110236)

Based on data sourced from maritime databases and Member State information, the DPRK vessel *Ko San* (IMO: 9110236) departed Chongjin, DPRK, by 29 May 2020. The *Ko San* dropped its AIS transmission around 3 June 2020 whilst east of Jeju Island, Republic of Korea, before retransmitting around 28 June 2020 as it approached Dalian, China. According to a Member State, the *Ko San* arrived at Ningbo-Zhoushan waters by 7 June 2020 and offloaded its coal cargo by 18 June 2020. Figure annex 46-1 showed the *Ko San* at anchor in Ningbo-Zhoushan waters alongside other DPRK vessels on 17 June 2020.

**Figure Annex 46-1: *Ko San* in Ningbo-Zhoushan, China, 17 June 2020**



Source: Member State

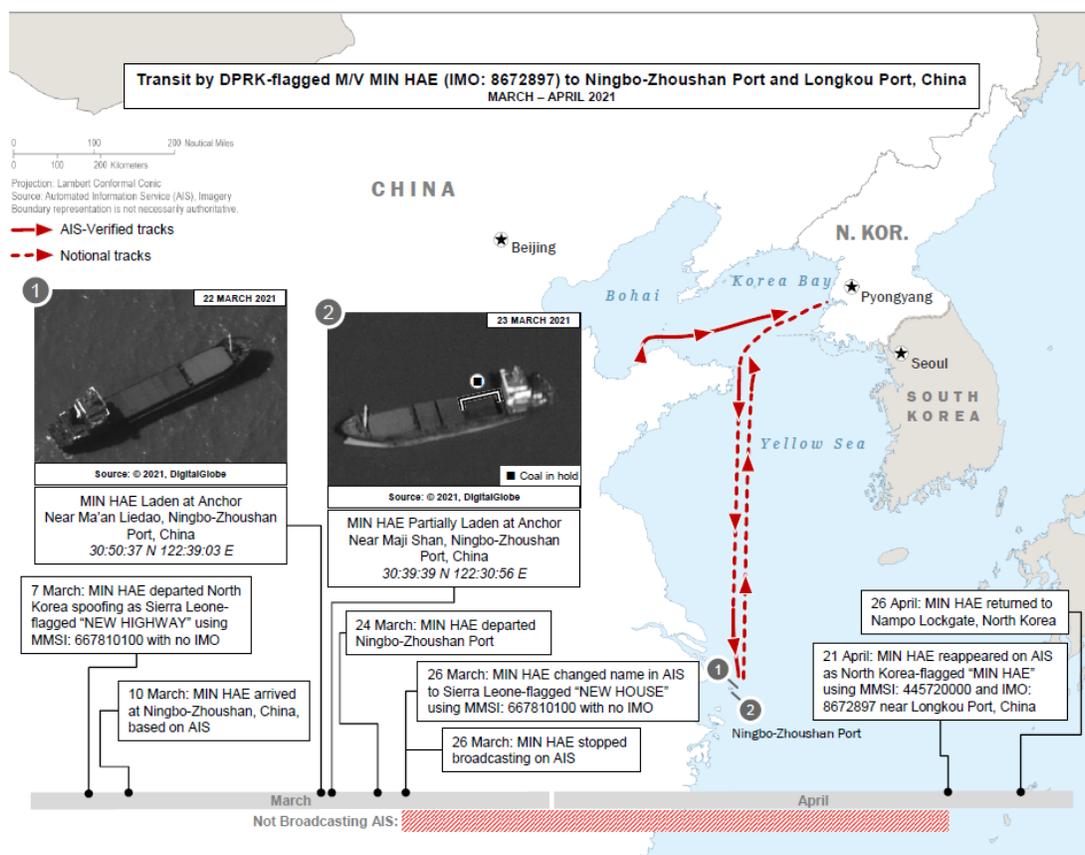
<sup>51</sup> For instance, the DPRK-flagged *Mi Yang 5* (IMO: 8620454) was reported to have waited outside of Nampo lock gate for around 100 days before entering to offload cargo on 11 May. The DPRK-flagged *Yon Pung 3* (IMO: 8314811) waited for 124 days before entering the lock gate with cargo it loaded at Longkou Port.

According to a Member State, humanitarian aid cargo for delivery to DPRK was loaded onto the *Ko San* at Dalian, China, on and around 1 July 2020. Information on commercial maritime database platforms show the *Ko San* arrived at Dalian port by 3 July 2020, with a draft change that indicated cargo was loaded onto the vessel. The vessel last transmitted an AIS signal in July 2020. In 5 April 2021, the vessel was back in Ningbo-Zhoushan waters by 5 April 2021 carrying DPRK-origin coal.

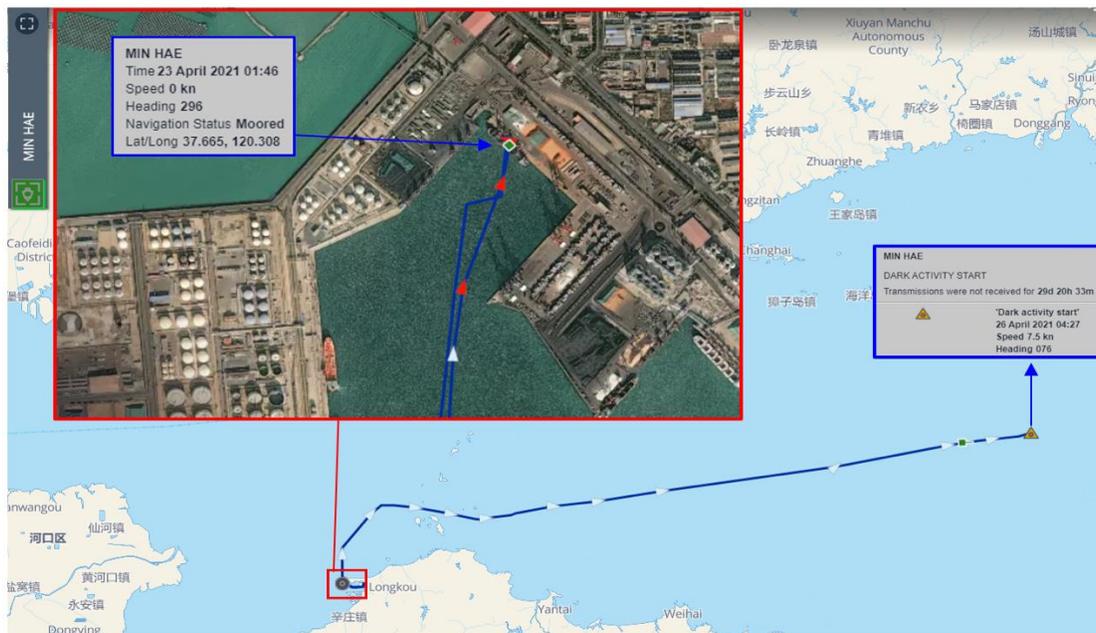
### DPRK-flagged *Min Hae* (IMO: 8672897)

In the first week of March 2021, the DPRK-flagged *Min Hae* (IMO: 8672897) departed the DPRK with coal cargo for Ningbo-Zhoushan waters and then proceeded to call at Longkou Port before returning to the DPRK (see figure annex 46-2). The port information and tracking data from Longkou available to the Panel is at figure annex 46-3.

**Figure Annex 46-2: Storyboard of DPRK-flagged *Min Hae*'s (IMO: 8672897) voyage to export DPRK-origin coal and import humanitarian aid cargo in a single voyage, March to April 2021**



Source: Member State

**Figure Annex 46-3: *Min Hae* at Longkou port area, China, 23 April 2021**

Source: Windward, annotated by the Panel; Google Earth (insert satellite imagery as representative of the port location not by actual date; AIS signal overlay as on 23 April 2021)

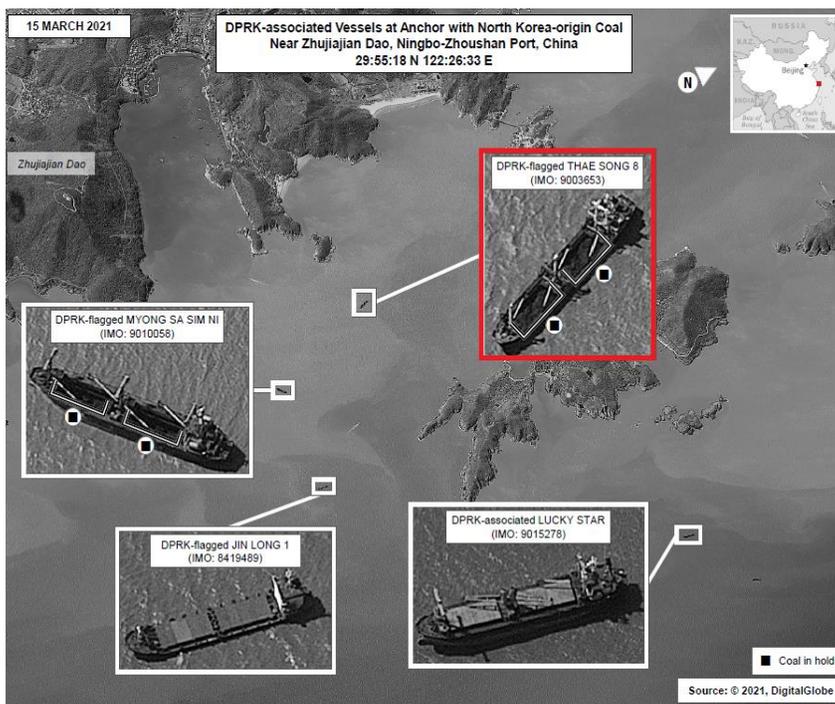
#### DPRK-flagged *Thae Song 8* (IMO: 9003653)

The DPRK-flagged *Thae Song 8* (IMO: 9003653) was another vessel located outside Nampo Lockgate as on 11 May 2021 that exported DPRK-origin coal to Ningbo-Zhoushan waters and returned with humanitarian aid cargo. The Panel had reported the *Thae Song 8*, then sailing as *Forever Lucky*, exporting illicit DPRK-origin coal as far back as 2017.

The Panel's tracking records of the vessel indicated that prior to its arrival at Ningbo-Zhoushan waters, *Thae Song 8* had not transmitted on its AIS for at least seven months since August 2020. On 15 March 2021, the vessel was recorded on satellite imagery near Zhujiajian Dao, China, with coal in its holds, and within vicinity of other DPRK and DPRK-associated vessels (see figure annex 46-4). *Thae Song 8* was again located around a week later in another part of Ningbo-Zhoushan waters near Daxizhai Dao, China (see figure annex 46-5). A day earlier, the Chinese coast guard patrol craft was recorded transiting close by, along with eight other DPRK vessels located within vicinity. By 6 April 2021, *Thae Song 8* appeared berthed at the Longkou Terminal based on its AIS transmissions on a specialized commercial maritime tracking platform. By mid-April 2021, the vessel was back in the DPRK outside of Nampo Lockgate<sup>52</sup> (see figure annex 46-6).

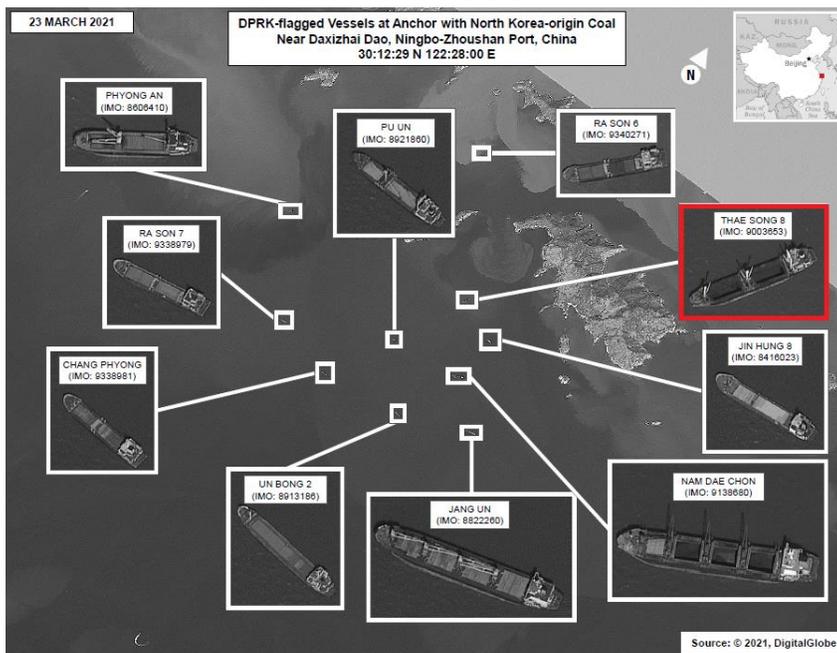
<sup>52</sup> The vessel last transmitted on 21 April 2021, information as of 30 June 2021.

**Figure Annex 46-4: *Thae Song 8* near Zhujiajian Dao, Ningbo-Zhoushan, 15 March 2021**



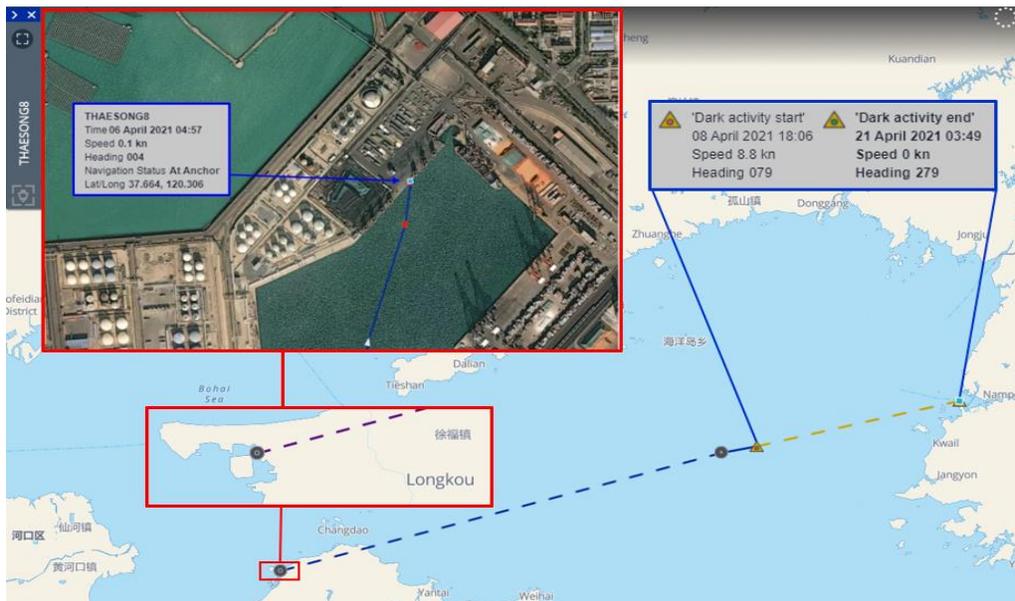
Source: Member State

**Figure Annex 46-5: *Thae Song 8* near Daxizhai Dao, Ningbo-Zhoushan, 23 March 2021**



Source: Member State

**Figure Annex 46-6: *Thae Song 8* located at Longkou Terminal, China, 6 April 2021**



*Source:* Windward, annotated by the Panel; Google Earth (insert satellite imagery as representative of the port location not by actual date; AIS signal overlay as on 6 April 2021)

The Panel sought China's assistance on information of the activity of each of 26 DPRK vessel at figure 14, information on which of these vessels had off-loaded DPRK-origin coal or other banned commodities through ship-to-ship transfers in Chinese territorial waters in 2021, information on which vessels were involved in the transportation of DPRK-origin coal that also picked up humanitarian cargo at Chinese ports, as well as information on any barter trade in sanctioned DPRK coal exports in exchange for grain or other imports from China.

China responded:

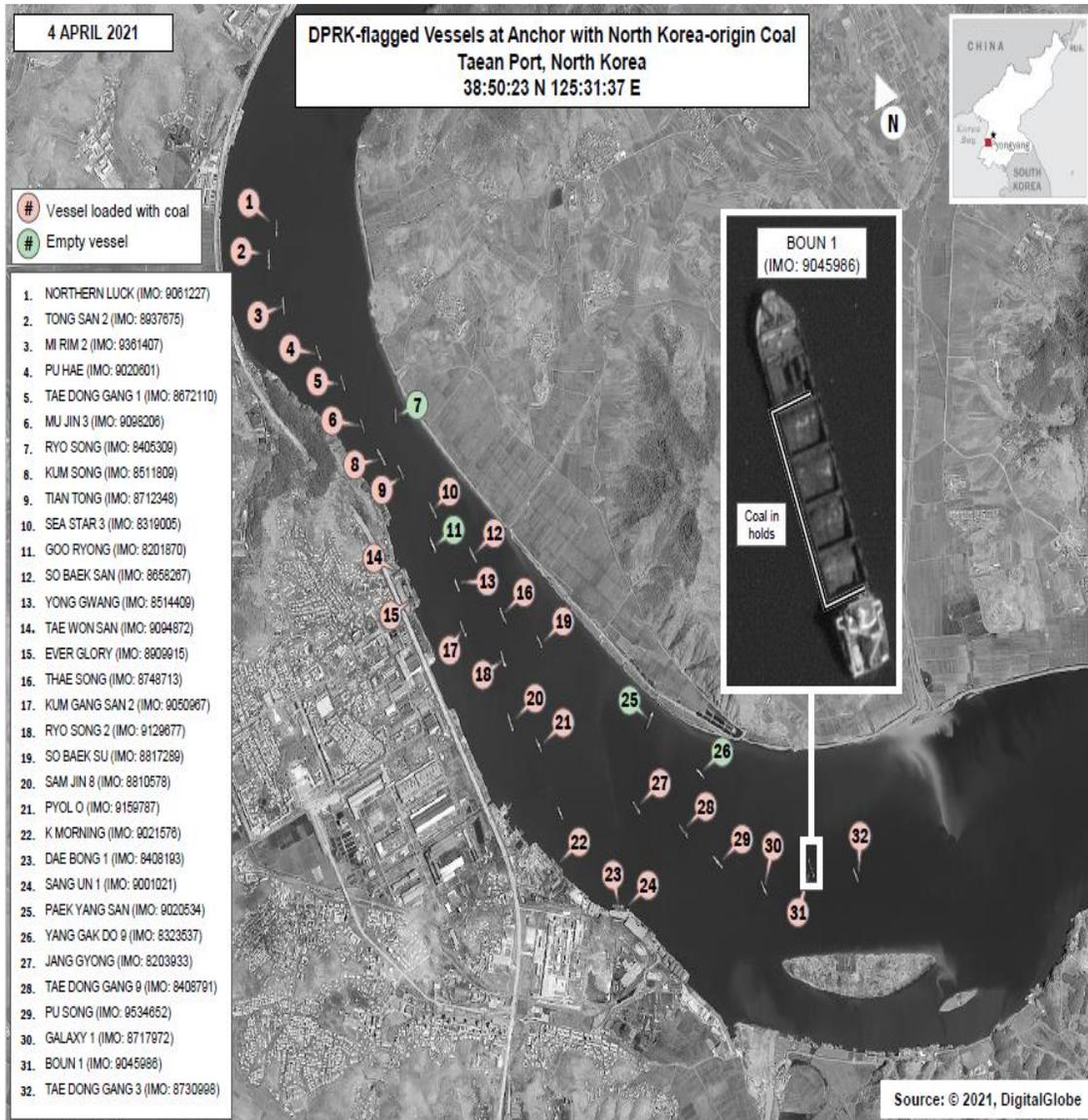
**(3) OC.76, OC.156**

*Thae Song 8, Min Hae, and Tae Phyong 2* entered Longkou port empty-loaded, and sailed to Nampo port after loading fertilizers and pesticide. *Ko San* entered Dalian Beiliang port empty-loaded and left after loading rice. China did not find these vessels smuggling coal within Chinese territorial waters and had no reason for prohibiting them from entering ports empty-loaded and loading humanitarian cargo.

*Source* : Member State

*Source* : the Panel

### Annex 47: DPRK-flagged vessels laden with coal, Taean Port, DPRK, 4 April 2021



Source : Member State

## Annex 48: ITC Trade Map Data on DPRK Trade Statistics by Commodity (HS Code) (2020)

Source : ITC Trade Map / Unit : thousand USD

Total Exports : 156,867		
HS CODE	Commodity type	Export Value
85	Electrical machinery and equipment and parts thereof; sound recorders and reproducers, television image and sound recorders and reproducers, and parts and accessories of such articles	50,148
72	Iron and steel	21,805
27	Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral waxes	11,993
39	Plastics and articles thereof	9,847
84	Machinery, mechanical appliances, nuclear reactors, boilers; parts thereof	7,390
91	Clocks and watches and parts thereof	6,817
87	Vehicles other than railway or tramway rolling stock, and parts and accessories thereof	6,371
26	Ores, slag and ash	5,624
38	Miscellaneous chemical products	5,242
30	Pharmaceutical products	4,387
99	Commodities not elsewhere specified	3,842
90	Optical, photographic, cinematographic, measuring, checking, precision, medical or surgical instruments and apparatus; parts and accessories thereof	2,851
67	Prepared feathers and down and articles made of feathers or of down; artificial flowers; articles of human hair	2,480
76	Aluminium and articles thereof	2,192

Total Imports : 558,071		
HS CODE	Commodity Type	Import Value
15	Animal or vegetable fats and oils and their cleavage products; prepared edible fats; animal or vegetable waxes	84,343
24	Tobacco and manufactured tobacco substitutes	39,943
11	Products of the milling industry; malt; starches; inulin; wheat gluten	38,720
39	Plastics and articles thereof	36,041
17	Sugars and sugar confectionery	35,106
30	Pharmaceutical products	25,351
40	Rubber and articles thereof	24,478
29	Organic chemicals	18,076
27	Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral waxes	17,877
54	Man-made filaments; strip and the like of man-made textile materials	17,283
10	Cereals	16,679
48	Paper and paperboard; articles of paper pulp, of paper or of paperboard	15,825
28	Inorganic chemicals; organic or inorganic compounds of precious metals, of rare-earth metals, of radioactive elements or of isotopes	15,500
55	Man-made staple fibres	10,368

: may include restricted HS Code commodities

HS CODE	Commodity type	Export Value
29	Organic chemicals	1,906
40	Rubber and articles thereof	1,244
28	Inorganic chemicals; organic or inorganic compounds of precious metals, of rare-earth metals, of radioactive elements or of isotopes	1,167
22	Beverages, spirits and vinegar	1,046
95	Toys, games and sports requisites; parts and accessories thereof	786
64	Footwear, gaiters and the like; parts of such articles	702
48	Paper and paperboard; articles of paper pulp, of paper or of paperboard	660
79	Zinc and articles thereof	641
73	Articles of iron or steel	636
96	Miscellaneous manufactured articles	584
31	Fertilisers	515
92	Musical instruments; parts and accessories of such articles	453
59	Impregnated, coated, covered or laminated textile fabrics; textile articles of a kind suitable for industrial use	448
61	Articles of apparel and clothing accessories, knitted or crocheted	390

HS CODE	Commodity Type	Import Value
91	Clocks and watches and parts thereof	8,875
8	Edible fruit and nuts; peel of citrus fruit or melons	8,266
94	Furniture; bedding, mattresses, mattress supports, cushions and similar stuffed furnishings; lamps and lighting fittings, not elsewhere specified or included; illuminated signs, illuminated nameplates and the like; prefabricated buildings	8,002
56	Wadding, felt and nonwovens; special yarns; twine, cordage, ropes and cables and articles thereof	7,600
34	Soap, organic surface-active agents, washing preparations, lubricating preparations, artificial waxes, prepare waxes, polishing or scouring preparations, candles and similar articles, modelling pastes, 'dental waxes' and dental preparations with a basis of plaster	7,063
69	Ceramic products	6,934
21	Miscellaneous edible preparations	6,158
90	Optical, photographic, cinematographic, measuring, checking, precision, medical or surgical instruments and apparatus; parts and accessories thereof	6,051
60	Knitted or crocheted fabrics	5,855
64	Footwear, gaiters and the like; parts of such articles	5,700
31	Fertilisers	5,471
3	Fish and crustaceans, molluscs and other aquatic invertebrates	5,137
61	Articles of apparel and clothing accessories, knitted or crocheted	4,759
22	Beverages, spirits and vinegar	4,545

: may include restricted HS Code commodities

HS CODE	Commodity type	Export Value
3	Fish and crustaceans, molluscs and other aquatic invertebrates	364
33	Essential oils and resinoids; perfumery, cosmetic or toilet preparations	341
70	Glass and glassware	330
49	Printed books, newspapers, pictures and other products of the printing industry; manuscripts, typescripts and plans	319
24	Tobacco and manufactured tobacco substitutes	255
34	Soap, organic surface-active agents, washing preparations, lubricating preparations, artificial waxes, prepared waxes, polishing or scouring preparations, candles and similar articles, modelling pastes, 'dental waxes' and dental preparations with a basis of plaster	228
94	Furniture; bedding, mattresses, mattress supports, cushions and similar stuffed furnishings; lamps and lighting fittings, not elsewhere specified or included; illuminated signs, illuminated nameplates and the like; prefabricated buildings	221
83	Miscellaneous articles of base metal	200
63	Other made-up textile articles; sets, worn clothing and worn textile articles; rags	199
74	Copper and articles thereof	185
56	Wadding, felt and nonwovens; special yarns; twine, cordage, ropes and cables and articles thereof	184
16	Preparations of meat, of fish or of crustaceans, molluscs or other aquatic invertebrates	175
55	Man-made staple fibres	147

HS CODE	Commodity Type	Import Value
96	Miscellaneous manufactured articles	4,025
32	Tanning or dyeing extracts; tannins and their derivatives; dyes, pigments and other colouring matter; paints and varnishes; putty and other mastics; inks	3,836
38	Miscellaneous chemical products	3,729
4	Dairy produce; birds' eggs; natural honey; edible products of animal origin, not elsewhere specified or included	3,725
63	Other made-up textile articles; sets; worn clothing and worn textile articles: rags	3,578
44	Wood and articles of wood; wood charcoal	3,512
35	Albuminoidal substances; modified starches; glues; enzymes	3,425
59	Impregnated, coated, covered or laminated textile fabrics; textile articles of a kind suitable for industrial use	3,225
16	Preparations of meat, of fish or of crustaceans, molluscs or other aquatic invertebrates	2,964
67	Prepared feathers and down and articles made of feathers or of down; artificial flowers; articles of human hair	2,919
70	Glass and glassware	2,870
'33	Essential oils and resinoids; perfumery, cosmetic or toilet preparations	2,547
'23	Residues and waste from the food industries; prepared animal fodder	2,317

: may include restricted HS Code commodities

HS CODE	Commodity type	Export Value
82	Tools, implements, cutlery, spoons and forks, of base metal; parts thereof of base metal	137
60	Knitted or crocheted fabrics	136
32	Tanning or dyeing extracts; tannins and their derivatives; dyes, pigments and other colouring matter; paints and varnishes; putty and other mastics; inks	134
69	Ceramic products	114
17	Sugars and sugar confectionery	112
54	Man-made filaments; strip and the like of man-made textile materials	107
46	Manufactures of straw, of esparto or of other plaiting materials; basketware and wickerwork	92
21	Miscellaneous edible preparations	91
19	Preparations of cereals, flour, starch or milk; pastrycooks' products	67
68	Articles of stone, plaster, cement, asbestos, mica or similar materials	67
42	Articles of leather; saddlery and harness; travel goods, handbags and similar containers; articles of animal gut (other than silkworm gut)	59
86	Railway or tramway locomotives, rolling stock and parts thereof; railway or tramway track fixtures and fittings and parts thereof; mechanical (including electromechanical) traffic signalling equipment of all kinds	54
41	Raw hides and skins (other than furskins) and leather	45
65	Headgear and parts thereof	44
52	Cotton	39
7	Edible vegetables and certain roots and tubers	31
62	Articles of apparel and clothing accessories, not knitted or crocheted	28

HS CODE	Commodity Type	Import Value
'52	Cotton	2,170
'95	Toys, games and sports requisites; parts and accessories thereof	2,153
'19	Preparations of cereals, flour, starch or milk; pastrycooks' products	2,016
26	Ores, slag and ash	1,942
58	Special woven fabrics; tufted textile fabrics; lace; tapestries; trimmings; embroidery	1,723
62	Articles of apparel and clothing accessories, not knitted or crocheted	1,598
9	Coffee, tea, maté and spices	1,503
68	Articles of stone, plaster, cement, asbestos, mica or similar materials	1,460
7	Edible vegetables and certain roots and tubers	1,423
2	Meat and edible meat offal	1,377
84	Machinery, mechanical appliances, nuclear reactors, boilers; parts thereof	1,344
51	Wool, fine or coarse animal hair; horsehair yarn and woven fabric	1,237
99	Commodities not elsewhere specified	1,142
47	Pulp of wood or of other fibrous cellulosic material; recovered (waste and scrap) paper or paperboard	1,090
18	Cocoa and cocoa preparations	977
20	Preparations of vegetables, fruit, nuts or other parts of plants	668
87	Vehicles other than railway or tramway rolling stock, and parts and accessories thereof	537

: may include restricted HS Code commodities

HS CODE	Commodity type	Export Value
66	Umbrellas, sun umbrellas, walking sticks, seat-sticks, whips, riding-crops and parts thereof	27
71	Natural or cultured pearls, precious or semi-precious stones, precious metals, metals clad with precious metal, and articles thereof; imitation jewellery; coin	20
8	Edible fruit and nuts; peel of citrus fruit or melons	19
5	Products of animal origin, not elsewhere specified or included	14
58	Special woven fabrics; tufted textile fabrics; lace; tapestries; trimmings; embroidery	14
47	Pulp of wood or of other fibrous cellulosic material; recovered (waste and scrap) paper or paperboard	14
12	Oil seeds and oleaginous fruits; miscellaneous grains, seeds and fruit; industrial or medicinal plants; straw and fodder	13
35	Albuminoidal substances; modified starches; glues; enzymes	12
20	Preparations of vegetables, fruit, nuts or other parts of plants	10
15	Animal or vegetable fats and oils and their cleavage products; prepared edible fats; animal or vegetable waxes	9
6	Live trees and other plants; bulbs, roots and the like; cut flowers and ornamental foliage	8
89	Ships, boats and floating structures	8
36	Explosives; pyrotechnic products; matches; pyrophoric alloys; certain combustible preparations	5
53	Other vegetable textile fibres; paper yarn and woven fabrics of paper yarn	5

HS CODE	Commodity Type	Import Value
85	Electrical machinery and equipment and parts thereof; sound recorders and reproducers, television image and sound recorders and reproducers, and parts and accessories of such articles	495
74	Copper and articles thereof	462
25	Salt; sulphur; earths and stone, plastering materials, lime and cement	399
66	Umbrellas, sun umbrellas, walking sticks, seat-sticks, whips, riding-crops and parts thereof	394
71	Natural or cultured pearls, precious or semi-precious stones, precious metals, metals clad with precious metal, and articles thereof; imitation jewellery; coin	360
92	Musical instruments; parts and accessories of such articles	359
78	Lead and articles thereof	350
42	Articles of leather; saddlery and harness; travel goods, handbags and similar containers; articles of animal gut (other than silkworm gut)	330
53	Other vegetable textile fibres; paper yarn and woven fabrics of paper yarn	293
57	Carpets and other textile floor coverings	220
5	Products of animal origin, not elsewhere specified or included	175
12	Oil seeds and oleaginous fruits; miscellaneous grains, seeds and fruit; industrial or medicinal plants; straw and fodder	153
14	Vegetable plaiting materials; vegetable products not elsewhere specified or included	153
65	Headgear and parts thereof	133

: may include restricted HS Code commodities

HS CODE	Commodity type	Export Value
25	Salt; sulphur; earths and stone, plastering materials, lime and cement	2
9	Coffee, tea, maté and spices	2

HS CODE	Commodity Type	Import Value
41	Raw hides and skins (other than furskins) and leather	121
37	Photographic or cinematographic goods	120
76	Aluminium and articles thereof	108
73	Articles of iron or steel	93
72	Iron and steel	61
6	Live trees and other plants; bulbs, roots and the like; cut flowers and ornamental foliage	51
43	Furskins and artificial fur; manufactures thereof	49
1	Live animals	37
82	Tools, implements, cutlery, spoons and forks, of base metal; parts thereof of base metal	30
97	Works of art, collectors' pieces and antiques	25
46	Manufactures of straw, of esparto or of other plaiting materials; basketware and wickerwork	18
13	Lac; gums, resins and other vegetable saps and extracts	13
49	Printed books, newspapers, pictures and other products of the printing industry; manuscripts, typescripts and plans	8
36	Explosives; pyrotechnic products; matches; pyrophoric alloys; certain combustible preparations	6
86	Railway or tramway locomotives, rolling stock and parts thereof; railway or tramway track fixtures and fittings and parts thereof; mechanical (including electromechanical) traffic signalling equipment of all kinds	5
83	Miscellaneous articles of base metal	3

: may include restricted HS Code commodities

Source : ITC Trade Map, annotated by the Panel

## Annex 49: The Panel's template of enquiry for trade and customs

The Panel is writing to you with regard to the implementation of sanctions measures in the area of trade, including the export to and import from the DPRK, as stipulated in the above resolutions. Through them, the Security Council decided that the DPRK shall not supply, sell or transfer, directly or indirectly, from its territory or by its nationals or using its flag vessels or aircraft certain items and that all States shall prohibit the procurement from the DPRK of certain items by their nationals, or using their flag vessels or aircraft, whether or not originating in the territory of the DPRK (see Annexes x, x and x). The Security Council furthermore requires all States to inspect all cargo to and from the DPRK, and stipulates that all prohibited items should be seized and disposed of when identified in inspections, in paragraph 18 of resolution [2270 \(2016\)](#) and paragraph 20 of resolution [2397 \(2017\)](#), respectively.

The Panel notes that Member States, while dutifully carrying out their obligations under the relevant resolutions, may occasionally face the challenge of having to determine whether certain items are prohibited from transfer to and/or from the DPRK by relevant resolutions, resulting in different practices in sanctions implementation among Member States.

In its effort to gather accurate trade data, especially in view of frequently observed discrepancies between the original national trade data and information published through open source trade databases such as ITC Trade Map, and to promote the best practices in the implementation of the relevant resolutions across Member States, the Panel would like to request relevant authorities of your country to provide the following information for the period of 2020 and 2021(1<sup>st</sup> quarter):

- 1) Integrated national data on trade with the DPRK, including the number of deliveries, commodities and their HS codes, as well as involved entities and individuals;
- 2) Please stipulate separately the recorded transactions in case they do not correspond to the standards set in the above-mentioned resolutions (please use the commodity list in the Annexes with the guidance to appropriately determine the cases of prohibited HS codes) with special attention to country codes;
- 3) Information regarding any cases of rejection of customs clearance or seizure of goods with the DPRK as a country of destination/consignment or transit;
- 4) Information regarding any cases of rejection of customs clearance or seizure of goods originating from the DPRK as a country of origin or manufacture;
- 5) For each of the above, please include the description of the goods, where possible as per contracts for delivery and other relevant documentation, HS codes of commodities, their quantity, prices and, where possible, copies of such documents;
- 6) The names, addresses and contact information of all entities and individuals involved in these transactions, and information on possible prior exports and imports involving the same entities; and
- 7) Any other relevant information and/or action taken by your customs authorities pursuant to obligations stemming from the above-mentioned resolutions.

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 information of the Security Council and the 1718 Committee.

*Source:* the Panel

## Annex 50: Comparison table of International Trade Statistics (2020) and replies provided by Members States on trade with the DPRK

\*\* Note: DPRK Trade Statistics cover the period of 2020, while Member State's reply may cover not only 2020 but also 1<sup>st</sup> quarter of 2021.

\* Unit : Thousand US\$

No.	Member State(MS)	Trade Volume w/ DPRK(2020)		Restricted HS Code Trade w/ DPRK		MS's Reply
		Export to	Import from	Export to	Import from	
1	Armenia, Republic of	0	42		1(HS Code 59) 9(HS Code 84) 40(HS Code 85)	
2	Austria, Republic of	186	1			Nothing Applicable / No cases / Exports granted by the 1718 Comm. upon request of IFRC
3	Barbados	118	825		8(HS Code 56) 18(HS Code 61) 55(HS Code 84) 523(HS Code 85) 5(HS Code 89)	
4	Belize	0	6			Nothing Applicable / No cases
5	Bermuda	1	154		2(HS Code 84) 90(HS Code 85)	
6	Bolivia, Plurinational State of	679	389		147(HS Code 72) 27(HS Code 84) 37(HS Code 85)	
7	Bosnia and Herzegovina	0	88		13(HS Code 84) 2(HS Code 85)	
8	Botswana, Republic of	0	1		1(HS Code 84)	
9	Brazil, Federative Republic of	93	16	1(HS Code 85) 1(HS Code 72)	2(HS Code 58) 13(HS Code 84)	
10	Brunei Darussalam, Negara	0	462		5(HS Code 72) 1(HS Code 73) 38(HS Code 52) 1(HS Code 54) 15(HS Code 8) 9(HS Code 84) 236(HS Code 85) 2(HS Code 25)	
11	Bulgaria, Republic of	674	29			Nothing Applicable / No cases / relevant goods were nutritional additives
12	Cambodia, Kingdom of	47	78		14(HS Code 73) 16(HS Code 84)	
13	Canada	0	87		9(HS Code 74) 1(HS Code 61) 2(HS Code 63) 16(HS Code 84) 6(HS Code 85)	Nothing Applicable / No cases / Previous correspondence on July 2, 2020 regarding miscoding by Canadian statistical agencies
14	China, People's Republic of	491,059	48,001	2,559(HS Code 2710) 1,772(HS Code 2713) 31(HS Code 2712) 14(HS Code 2711) 316(HS Code 84) 122(HS Code 85) 468(HS Code 87) 19(HS Code 73) 17(HS Code 82)	11,499(HS Code 72) 14(HS Code 73) 5(HS Code 53) 2(HS Code 62) 6(HS Code 63)	ITC statistics are different from China's official figure mainly because ITC regards commodities produced in China and exported to 3rd party and then transferred to the DPRK as Chinese export to the DPRK / This is inconsistent with facts and the ITC does not update and correct their data in a timely manner

No.	Member State(MS)	Trade Volume w/ DPRK(2020)		Restricted HS Code Trade w/ DPRK		MS's Reply
		Export to	Import from	Export to	Import from	
15	Colombia, Republic of	761	630		7(HS Code 73) 118(HS Code 84) 38(HS Code 85)	Imports (HS Code 73, 84, 85) fall under restricted category / made additional enquiry and waiting of reply
16	Costa Rica, Republic of	0	2,361		11(HS Code 61)	Typing Error of Numerical Country Code
17	Czech Republic	0	87		1(HS Code 72) 2(HS Code 63) 1(HS Code 84) 6(HS Code 85)	
18	Denmark, Kingdom of	16	62		1(HS Code 73) 2(HS Code 84)	
19	Democratic Republic of Congo	7,079	516		33(HS Code 73) 9(HS Code 84)	
20	Egypt, Arab Republic of	133	0			Nothing Applicable / No cases No items that fall under the prohibited customs classification were traded with DPRK
21	El Salvador, Republic of	0	192		2(HS Code 63) 64(HS Code 84)	Trade was with ROK where mistake was made by the companies when reporting to customs systems / has not carried out trade with DPRK
22	Estonia, Republic of	0	17		17(HS Code 85)	Nothing Applicable / No cases
23	Ethiopia, Federal Democratic Republic of	8	3,637		1,827(HS Code 72) 100(HS Code 79) 509(HS Code 84) 158(HS Code 85)	
24	Finland, Republic of	0	1			Nothing Applicable / No cases
25	Gambia, Islamic Republic of the	0	61		3(HS Code 8) 2(HS Code 84)	
26	Georgia	463	726	344(HS Code 74)	49(HS Code 2710) 87(HS Code 72) 13(HS Code 73) 39(HS Code 3) 230(HS Code 84) 46(HS Code 85)	No trade conducted with the DPRK / referred to country code of DPRK instead of ROK
27	Germany, Federal Republic of	1,083	798	10(HS Code 84)	5(HS Code 59) 205(HS Code 61) 5(HS Code 62) 1(HS Code 63) 23(HS Code 7) 2(HS Code 84) 20(HS Code 85)	Individual actors erroneously referred to DPRK although the country of origin was ROK
28	Greece (Hellenic Republic)	19	0			Nothing Applicable / No cases
29	Guatemala, Republic of	0	21		3(HS Code 59) 4(HS Code 84)	Goods purchased by the importer were from ROK not from DPRK (erroneous input of country code)

No.	Member State(MS)	Trade Volume w/ DPRK(2020)		Restricted HS Code Trade w/ DPRK		MS's Reply
		Export to	Import from	Export to	Import from	
30	Guyana, Republic of	69	1,264	27(HS Code 72)	63(HS Code 72) 27(HS Code 73) 1,106(HS Code 84) 20(HS Code 85)	No trade with DPRK / erroneous record due to logging errors / competent authorities are introducing a Risk Profil System in the ASYCUDA World System
31	Hungary	2	5		3(HS Code 84)	Export and Imports with DPRK were medicine ingredients and dental instruments respectively / No trade with DPRK on restricted commodities
32	India, Republic of	4,337	1,926	15(HS Code 2712) 37(HS Code 84) 34(HS Code 87) 33(HS Code 72)	166(HS Code 72) 12(HS Code 73) 115(HS Code 74) 47(HS Code 56) 34(HS Code 59) 3(HS Code 62) 7(HS Code 63) 684(HS Code 84) 132(HS Code 85)	
33	Indonesia, Republic of	1	770		18(HS Code 72) 2(HS Code 73) 319(HS Code 79) 5(HS Code 59) 29(HS Code 84) 1(HS Code 85)	Undergoing internal investigations and will provide more information
34	Italy, Republic of	167	63	139(HS Code 84) 26(HS Code 76)	2(HS Code 72)	
35	Kazakhstan, Republic of	0	3			Nothing Applicable / No cases
36	Kyrgyz Republic	0	39		7(HS Code 73) 28(HS Code 84) 1(HS Code 85)	Data is inaccurate / As a result of audit, assigned DPRK country code instead of ROK
37	Luxembourg, Grand Duchy of	2	5,127	2(HS Code 85)	4(HS Code 3) 6(HS Code 1604) 1(HS Code 59) 7(HS Code 7) 1(HS Code 8) 427(HS Code 84) 4,605(HS Code 85)	No registered trade with the DPRK / cases of erroneous encoding
38	Madagascar, Republic of	0	959		24(HS Code 63) 54(HS Code 84)	
39	Moldova, Republic of	0	21		17(HS Code 72) 2(HS Code 84)	
40	Mozambique, Republic of	350	4,365	350(HS Code 78)	1(HS Code 2710) 1(HS Code 72) 1(HS Code 73) 221(HS Code 79) 312(HS Code 3) 27(HS Code 54) 85(HS Code 55) 30(HS Code 63) 154(HS Code 84) 37(HS Code 85)	
41	Myanmar, Republic of the Union of	0	24,190		853(HS Code 72) 23,314(HS Code 85)	

No.	Member State(MS)	Trade Volume w/ DPRK(2020)		Restricted HS Code Trade w/ DPRK		MS's Reply
		Export to	Import from	Export to	Import from	
42	Namibia, Republic of	0	28		2(HS Code 84) 20(HS Code 85)	
43	Netherlands, Kingdom of the	269	558		40(HS Code 84)	Had exports from and imports to DPRK but none of these goods fell under the (restricted) HS codes of relevant resolutions
44	Nigeria, Federal Republic of	0	6,609		21(HS Code 73) 32(HS Code 59) 59(HS Code 63) 996(HS Code 84) 589(HS Code 85)	
45	North Macedonia, Republic of	0	546		31(HS Code 72) 1(HS Code 74) 7(HS Code 54) 18(HS Code 84) 90(HS Code 85)	
46	Pakistan, Islamic Republic of	0	175		5(HS Code 72) 15(HS Code 73) 10(HS Code 59) 3(HS Code 63) 58(HS Code 84) 16(HS Code 85)	Official import data corroborates that imports were legitimate and originated from other countries and not from DPRK / no trade with DPRK
47	Peru, Republic of	1,226	521		4(HS Code 63) 437(HS Code 84)	
48	Poland, Republic of	305	20,928		16(HS Code 72) 69(HS Code 73) 26(HS Code 74) 9(HS Code 3) 77(HS Code 56) 63(HS Code 61) 1(HS Code 7) 235(HS Code 84) 18,307(HS Code 85)	
49	Russian Federation	41,954	702	9,474(HS Code 2710) 1,519(HS Code 2711) 801(HS Code 84) 67(HS Code 85) 5(HS Code 86) 34(HS Code 87) 55(HS Code 73) 6(HS Code 74) 13(HS Code 76) 13(HS Code 82) 2(HS Code 83)	1(HS Code 72) 1(HS Code 73) 1(HS Code 61) 6(HS Code 62) 14(HS Code 84) 16(HS Code 85)	Cases of exports to DPRK where recipient was the Embassy of the Russian Federation to DPRK and Maintenance of Civil Aircraft / Waiting for additional reply
50	Saudi Arabia, Kingdom of	135	526	108(HS Code 74) 26(HS Code 76)	81(HS Code 61) 7(HS Code 62) 81(HS Code 84) 43(HS Code 85)	Concerning both exports to and imports from DPRK, internal statistics revealed that targeted items were all related to different countries not DPRK
51	Senegal, Republic of	179	689	3(HS Code 74)	261(HS Code 73) 11(HS Code 54) 42(HS Code 84) 2(HS Code 85)	
52	Serbia, Republic of	0	2		1(HS Code 54)	No trade exchange has been carried out with the DPRK

No.	Member State(MS)	Trade Volume w/ DPRK(2020)		Restricted HS Code Trade w/ DPRK		MS's Reply
		Export to	Import from	Export to	Import from	
53	Singapore, Republic of	123	0			Forfeit shipment of wine on August 25, 2020 / informed Panel on September 15, 2020 / Other than above nothing applicable / No cases
54	Slovak Republic	0	406		85(HS Code 72) 261(HS Code 73) 1(HS Code 59) 101(HS Code 84) 6(HS Code 85)	
55	Slovenia, Republic of	0	1,065		1(HS Code 2712) 5(HS Code 73) 4(HS Code 59) 2(HS Code 61) 1(HS Code 63) 13(HS Code 12) 73(HS Code 84) 277(HS Code 85)	
56	South Africa, Republic of	456	1,099	8(HS Code 84) 251(HS Code 85) 1(HS Code 87) 8(HS Code 73) 18(HS Code 76)	2(HS Code 73) 8(HS Code 54) 12(HS Code 84) 1,054(HS Code 85)	No relevant cases of transactions relating to any goods or technologies with the DPRK
57	Spain, Kingdom of	167	387	5(HS Code 84) 4(HS Code 73)	2(HS Code 72) 1(HS Code 73) 1(HS Code 54) 3(HS Code 61) 13(HS Code 84) 118(HS Code 85) 3(HS Code 89)	
58	Sweden, Kingdom of	0	6		4(HS Code 73)	Nothing Applicable / No cases
59	Swiss Confederation	2,677	0			Nothing Applicable / No cases
60	Tajikistan, Republic of	0	109			Nothing Applicable / No cases
61	Thailand, Kingdom of	1,743	166	4(HS Code 84)	3(HS Code 73) 3(HS Code 84) 29(HS Code 85)	Entries mentioning the DPRK as the country of destination had subsequently been withdrawn, with the goods returned
62	Turkey, Republic of	331	93	323(HS Code 2710)	2(HS Code 73) 5(HS Code 84) 14(HS Code 85)	
63	Uganda, Republic of	255	4,388		31(HS Code 74) 62(HS Code 55) 16(HS Code 84)	
64	Ukraine	0	21		3(HS Code 61) 3(HS Code 62) 3(HS Code 85)	
65	United Kingdom of Great Britain and Northern Ireland	38	12		1(HS Code 84) 8(HS Code 85)	Incorrect country code provided with shipping documentation
66	Uruguay, Oriental Republic of	0	12		1(HS Code 74) 1(HS Code 84) 6(HS Code 85)	Several customs operations were declared as originating from DPRK, but they were actually ROK

No.	Member State(MS)	Trade Volume w/ DPRK(2020)		Restricted HS Code Trade w/ DPRK		MS's Reply
		Export to	Import from	Export to	Import from	
67	Uzbekistan, Republic of	0	1			Nothing Applicable / No cases
68	Zambia, Republic of	2	765		37(HS Code 63) 51(HS Code 84) 94(HS Code 85)	
69	Zimbabwe, Republic of	23	681		1(HS Code 52) 28(HS Code 54) 6(HS Code 84)	

Source : ITC Trade Map, annotated by the Panel

## Annex 51: List of HS Codes the Panel applies to monitor the 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
<b>Condensates and natural gas liquids</b>	<b>2709</b>	Oils; petroleum oils and oils obtained from bituminous minerals	Para. 13 of . 2375 (2017)
	<b>2711</b>	Petroleum gases and other gaseous hydrocarbons	
<b>Industrial machinery</b>	<b>84</b>	Nuclear reactors, boilers, machinery and mechanical appliances; parts thereof	Para. 7 of 2397 (2017)
	<b>85</b>	Electrical machinery and equipment and parts thereof; sound recorders and reproducers; television image and sound recorders and reproducers, parts and accessories of such articles	
<b>Transportation vehicles</b> <sup>53</sup>	<b>86</b>	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 2397 (2017)
	<b>87</b>	Vehicles; other than railway or tramway rolling stock, and parts and accessories thereof	
	<b>88</b>	Aircraft, spacecraft and parts thereof <sup>54</sup>	
	<b>89</b>	Ships, boats and floating structures	
<b>Iron, steel and other metals</b>	<b>Chapters 72-83</b>		Para. 7 of 2397 (2017)
	<b>72</b>	Iron and steel	
	<b>73</b>	Articles of iron or steel	
	<b>74</b>	Copper and articles thereof	
	<b>75</b>	Nickel and articles thereof	
	<b>76</b>	Aluminum and articles thereof	
	<b>77</b>	Reserved for possible future use	
	<b>78</b>	Lead and articles thereof	
	<b>79</b>	Zinc and articles thereof	
	<b>80</b>	Tin and articles thereof	
	<b>81</b>	Other base metals; cermets; articles thereof	
	<b>82</b>	Tools, implements, cutlery, spoons and forks, of base metal; parts thereof of base metal	
<b>83</b>	Miscellaneous articles of base metal		

<sup>53</sup> 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.

<sup>54</sup> 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
<b>Coal</b>	<b>2701</b>	Coal; briquettes, ovoids and similar solid fuels manufactured from coal	Para. 8 of 2371 (2017)
<b>Iron Ore</b>	<b>2601</b>	Iron ores and concentrates, including roasted iron pyrites	
<b>Iron</b>	<b>Chapter 72</b>	Iron and steel products ( <b>7201-7229</b> )	
<b>Iron and Steel products</b>	<b>Chapter 73</b>	Iron and steel products ( <b>7301-7326</b> )	
<b>Gold</b>	<b>261690</b>	Gold ores and concentrates	Para. 30 of 2270 (2016)
	<b>7108</b>	Gold (incl. put plated), unwrought, semi-manufactured forms or powder	
	<b>710811</b>	Gold powder, unwrought	
	<b>710812</b>	Gold in other unwrought forms	
	<b>710813</b>	Gold in other semi-manufactured forms	
	<b>710820</b>	Monetary gold	
<b>Titanium</b>	<b>2614</b>	Titanium ores and concentrates	
<b>Vanadium</b>	<b>2615</b>	Vanadium ores and concentrates	
<b>Rare Earth Minerals</b>	<b>2612</b>	Uranium or thorium ores and concentrates [ <b>261210</b> and <b>261220</b> ]	
	<b>2617</b>	Ores and concentrates, [Nesoi code <b>261790</b> - Other Ores and Concentrates]	
	<b>2805</b>	Alkali metals etc., rare-earth metals etc., mercury	
	<b>2844</b>	Radioactive chemical elements & isotopes etc.	
<b>Copper</b>	<b>Chapter 74</b>	Copper and articles thereof ( <b>7401-7419</b> )	Para. 28 of 2321 (2016)
	<b>2603</b>	Copper ores and concentrates	
<b>Zinc</b>	<b>Chapter 79</b>	Zinc and articles thereof ( <b>7901-7907</b> )	
	<b>2608</b>	Zinc ores and concentrates	
<b>Nickel</b>	<b>Chapter 75</b>	Nickel and articles thereof ( <b>7501-7508</b> )	
	<b>2604</b>	Nickel ores and concentrates	
<b>Silver</b>	<b>2616100</b> <b>7106, 7107</b>	Silver ores and concentrates Silver unwrought or semi manufactured forms, or in powdered forms; base metals clad with silver, not further worked than semi-manufactured	
	<b>7114</b>	Articles of goldsmiths or silversmiths' wares or parts thereof, of silver, whether or not plated or clad with other precious metal	
<b>Seafood (incl fish, crustaceans, mollusks, and other aquatic invertebrates in all forms)</b>	<b>Chapter 3</b>	Fish and crustaceans, molluscs and other aquatic invertebrates ( <b>0301-0308</b> )	Para. 9 of 2371 (2017)
	<b>1603</b>	Extracts and juices of meat, fish or crustaceans, molluscs or other aquatic invertebrates)	
	<b>1604</b>	Prepared or preserved fish; caviar and caviar substitutes prepared from fish eggs	
	<b>1605</b>	Crustaceans, molluscs and other aquatic invertebrates, prepared or preserved	
<b>Lead</b>	<b>Chapter 78</b>	Lead and articles thereof ( <b>7801-7806</b> )	Para. 10 of 2371 (2017)
<b>Lead ore</b>	<b>2607</b>	Lead ores and concentrates	

<b>Textiles (including but not limited to fabrics and partially or fully completed apparel products)</b>	<b>Chapters 50-63</b>		Para. 16 of 2375 (2017)
	<b>50</b>	Silk, including yarns and woven fabrics thereof	
	<b>51</b>	Wool, fine or coarse animal hair, including yarns and woven fabrics thereof; Horsehair yarn and woven fabric	
	<b>52</b>	Cotton, including yarns and woven fabrics thereof	
	<b>53</b>	Vegetable textile fibers nesoi; Yarns and woven fabrics of vegetable textile fibers nesoi and paper	
	<b>54</b>	Manmade filaments, including yarns and woven fabrics thereof	
	<b>55</b>	Manmade staple fibers, including yarns and woven fabrics thereof	
	<b>56</b>	Wadding, felt and nonwovens; Special yarns; Twine, cordage, ropes and cables and articles thereof	
	<b>57</b>	Carpets and other textile floor covering	
	<b>58</b>	Fabrics; special woven fabrics, tufted textile fabrics, lace, tapestries, trimmings, embroidery	
	<b>59</b>	Textile fabrics; impregnated, coated, covered or laminated; Textile articles of a kind suitable for industrial use;	
	<b>61</b>	Apparel and clothing accessories; knitted or crocheted;	
	<b>62</b>	Apparel and clothing accessories; <i>not</i> knitted or crocheted;	
	<b>63</b>	Textiles, made up articles; sets; worn clothing and worn textile articles; rags	
<b>Agricultural products</b>	<b>07</b>	Vegetables and certain roots and tubers; edible	Para. 6 of resolution 2397 (2017)
	<b>08</b>	Fruit and nuts, edible; peel of citrus fruit or melons	
	<b>12</b>	Oil seeds and oleaginous fruits; miscellaneous grains, seeds and fruit, industrial or medicinal plants; straw and fodder	
<b>Machinery</b>	<b>84</b>	Nuclear reactors, boilers, machinery and mechanical appliances; parts thereof	Para. 6 of resolution 2397 (2017)
<b>Electrical equipment</b>	<b>85</b>	Electrical machinery and equipment and parts thereof; Sound recorders and reproducers; television image and sound recorders and reproducers, parts and accessories of such articles	
<b>Earth and stone including magnesite and magnesia</b>	<b>25</b>	Salt; sulphur; earths, stone; plastering materials, lime and cement	
<b>Wood</b>	<b>44</b>	Wood and articles of wood; wood charcoal	
<b>Vessels</b>	<b>89</b>	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 ]

Source : the Panel

## Annex 52: Correspondence with Thailand



No. 56101/206

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 communication from Mr. Georgy Toloraya, member of the Panel of Experts, requesting additional information to supplement the former's note no. 56101/18 dated 15 January 2021 on the implementation of customs measures imposed on the Democratic People's Republic of Korea (DPRK) for the period of 2018-2020, 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  
26 March B.E. 2564 (2021)



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

## Additional information of 12 cases of goods withdrawn from delivery to the DPRK

No.	Export Entry	HS Code	Description of Goods	Export agent	Quantity	Date
1.	A002-1610208716	85411000	DIODE BZG03-C36-R-EIC	EIC SEMICONDUCTOR COMPANY LIMITED	1 Carton	2018/02/02
2.	A006-1610810538	32041900	MOMUJI FOUNDATION HD MAKE UP NO.1 (40mL)	ORIENTAL ORCHID TRADING COMPANY LIMITED	10 Cartons	2028/08/06
	A006-1610810538	33049930	DERLISE BRIGHT SMOOTH SUN SCREEN CREAM 15g.	ORIENTAL ORCHID TRADING COMPANY LIMITED		
	A006-1610810538	33049930	DERLISE BRIGHT & CUTE WHITE CREAM 15g.	ORIENTAL ORCHID TRADING COMPANY LIMITED		
	A006-1610810538	33049930	ANTI-ACNE 5g. BRIGHTENING 5g. MELASMA 5g. SUNSCREEN 5g.	ORIENTAL ORCHID TRADING COMPANY LIMITED		
	A006-1610810538	33049930	DERLISE WHITE SERUM 30g.	ORIENTAL ORCHID TRADING COMPANY LIMITED		
	A006-1610810538	33049930	DERLISE AQUA TONER 100g.	ORIENTAL ORCHID TRADING COMPANY LIMITED		
	A006-1610810538	33049930	DERLISE MOUSSE 150g.	ORIENTAL ORCHID TRADING COMPANY LIMITED		
	A006-1610810538	33069000	DERRICH ORAL HERBAL TOOTHPASTE 25g.	ORIENTAL ORCHID TRADING COMPANY LIMITED		
3.	A017-1610701164	85119090	TRANSFORMER	KEIC THAI COMPANY LIMITED	6 Cartons	2018/07/17

No.	Export Entry	HS Code	Description of Goods	Export agent	Quantity	Date
4.	A022-1610114592	12079990	SACHA LN LNCHI NUT UNSALTED	ASIA STAR OMEGA (THAILAND) COMPANY LIMITED	1 Pallet	2018/01/22
5.	A025-1610908321	33049930	MOMUJI SIXTY-SIXANTI-ACNE 5g. BRIGHTENING 5g.	ORIENTAL ORCHID TRADING COMPANY LIMITED	6 Cartons	2018/09/25
	A025-1610908321	33049930	MOMUJI SIXTY- BRIGHTENING 5g.	ORIENTAL ORCHID TRADING COMPANY LIMITED		
	A025-1610908321	33049930	MOMUJI SIXTY-SIXMELASMA 5g.	ORIENTAL ORCHID TRADING COMPANY LIMITED		
	A025-1610908321	33049930	DERLISEWHITE SERUM 30g.	ORIENTAL ORCHID TRADING COMPANY LIMITED		
	A025-1610908321	33049930	MOMUJI SIXTY-SIXBRIGHTENING 5g. MELASMA 5g.	ORIENTAL ORCHID TRADING COMPANY LIMITED		
	A025-1610908321	33049930	LOTION (SAMPLE FREE OF CHARGE)	ORIENTAL ORCHID TRADING COMPANY LIMITED		
6.	A027-1611206861	21069019	NUTRITION DRINK	WINTHAI TRANS INTERNATIONAL COMPANY LIMITED	2 Cartons	2018/12/27
7.	A028-1611203712	30045099	NUTRITION DRINK	MR. KI SONG HAN	2 Cartons	2018/12/28
8.	A019-1621216780	84439100	AccuStar UltraFilm BNK19-12-70005 7114764	ROTOMETRICS (SE ASIA) COMPANY LIMITED	1 Carton	2019/12/19
	A019-1621216780	84439100	AccuPrime BNK19-12-69970 7114764	ROTOMETRICS (SE ASIA) COMPANY LIMITED		
	A019-1621216780	84439100	AccuStar UltraFilm BNK19-12-69971 7114730	ROTOMETRICS (SE ASIA) COMPANY LIMITED		

3

No.	Export Entry	HS Code	Description of Goods	Export agent	Quantity	Date
9.	A012-1630309810	85340090	FLEXIBLE PRINTED CIRCUIT BOARD	FUJIKURA ELECTRONICS (THAILAND) COMPANY LIMITED	12 Cartons	2020/03/12
10.	A017-1630812078	40151900	LATEX GLOVES	PHOENIX RUBBER PRODUCTS COMPANY LIMITED	25 Cartons	2020/08/18
11.	A020-1630101270	20081999	BLACK SESAME PASTE	FLOWER FOOD COMPANY LIMITED	1 Pallet	2020/01/20
12.	A023-1630405508	85340090	FLEXIBLE PRINTED CIRCUIT BOARD	FUJIKURA ELECTRONICS (THAILAND) COMPANY LIMITED	9 Cartons	2020/04/23

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Source : the Panel

## Annex 53: Correspondence with Bulgaria



PERMANENT MISSION OF THE REPUBLIC OF  
B U L G A R I A  
T O T H E U N I T E D N A T I O N S

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11 East 84<sup>th</sup> Street, New York, NY 10028, Tel: (212) 737 4790, Fax: (212) 472 9865, e-mail: [bulgaria@un.int](mailto:bulgaria@un.int)

№ 44

New York, 6 July 2021

Dear [REDACTED]

I am writing with regard to your letter ref. № S/AC.49/2021/PE/OC.92 of 28 May 2021, and have the honor to communicate the following information, as provided by the competent Bulgarian authorities:

According to the National Customs Agency's database, in the period 1<sup>st</sup> January 2020 – 31 March 2021 10 (ten) exports of nutritional additives were made to the DPRK as declared country of destination. The goods were exported by „DSM NUTRITIONAL PRODUCTS EUROPE, address: Wurmisweg 576, 4303, Kaiseraugst, Switzerland, to “UNICEF DPR KOREA UNICEF REPRESENTAT”, address: P.O. box 90, Pyongyang, the DPRK. The export declarations were lodged with the Sofia West Customs Office by the Bulgarian company “KENDY LTD”, address: 101 Sofia Str., 1320 Bankya, Bulgaria. The goods were classified under the EU Combined Nomenclature and the Common Customs Tariff with tariff code 21069092 and left the customs territory of the European Union through the Port of Thessaloniki, Greece. Details about the customs declarations (CD) are as follows:

- CD 20BG005807AA913100 of 17 January 2020;
- CD 20BG005807AA913019 of 17 January 2020;
- CD 20BG005807AB055481 of 31 July 2020;
- CD 20BG005807AB055414 of 31 July 2020;
- CD 20BG005807AB055580 of 31 July 2020;
- CD 20BG005807AB055599 of 31 July 2020;
- CD 20BG005807AB056949 of 3 August 2020;
- CD 20BG005807AB056957 of 3 August 2020;
- CD 20BG005807AB057108 of 3 August 2020;
- CD 20BG005807AB057116 of 3 August 2020.

During the above-mentioned period there have been no cases of rejection of customs clearance or seizure of goods with the DPRK as a country of destination/ consignment, transit, origin or manufacture.

I take this opportunity to assure the Panel of Experts that the competent Bulgarian authorities take all necessary measures to ensure the strict implementation of all sanctions imposed on the DPRK as per relevant UNSC resolutions.

Please accept the assurances of my highest consideration.

Sincerely,



**Lachezara Stoeva**  
**Ambassador, Permanent Representative**

**M. [REDACTED]**  
**Coordinator of the Panel of Experts established**  
**pursuant to Security Council Resolution 1874 (2009)**  
**United Nations**  
**New York**

*Source* : the Panel

## Annex 54: Correspondence with Singapore



PERMANENT MISSION OF THE REPUBLIC OF SINGAPORE  
UNITED NATIONS | NEW YORK

24 June 2021

████████████████████  
Coordinator  
United Nations Security Council Panel of Experts established pursuant to  
Resolution 1874 (2009)

Dear ██████████

I refer to your letter (S/AC.49/2021/PE/OC.134) dated 28 May 2021 requesting information on any cases of rejection of customs clearance or seizure of goods with the Democratic People's Republic of Korea (DPRK) as a country of destination, consignment, transit, origin, or manufacture, as well as integrated national data on trade with the DPRK, for the period of 2020 through the first quarter of 2021.

During the aforementioned period, Singapore forfeited a shipment of wine that was transhipped through Singapore and allegedly bound for the DPRK on 25 August 2020. This forfeiture fulfilled the obligation for Member States under Paragraph 20 of UNSC Resolution 2397 (2017) to seize and dispose of items the supply, sale, transfer, or export of which is prohibited by the relevant UNSC resolutions. The Panel was informed of this case in our letter to the Panel dated 15 September 2020, which we enclose again for the Panel's ease of reference.

Apart from the case mentioned in our letter dated 15 September 2020, there are no other cases of rejection of customs clearance or seizure of goods with the DPRK as a country of destination, consignment or transit, origin, or manufacture during the relevant period.

A general prohibition on all commercially traded goods that are imported, exported, transhipped, or brought in transit from or to the DPRK has also been in force since 8 November 2017.

Singapore reiterates our commitment to upholding our obligations under the relevant UNSC resolutions, and will continue to be of assistance to the Panel where possible.

Yours sincerely,



**JOPHIE TANG**  
Chargé d'Affaires a.i.

Enc.



PERMANENT REPRESENTATIVE OF THE REPUBLIC OF SINGAPORE  
UNITED NATIONS, NEW YORK

15 September 2020

Mr [REDACTED]  
Coordinator  
United Nations Security Council Panel of Experts established pursuant to  
Resolution 1874 (2009)

Dear [REDACTED]

I write to inform you of the Singapore Government's forfeiture of a shipment of wine allegedly bound for the Democratic People's Republic of Korea (DPRK).

Singapore received information from a Member State in January 2020 concerning an allegedly DPRK-bound shipment of alcohol that transhipped in Singapore from 7 to 10 January 2020. The shipment was held for checks while in Singapore, and was seized by Singapore authorities on 31 January 2020.

According to the invoice and packing list submitted by the shipping agent, the shipment of wine was supplied to Sangmyong General Trading Corporation ("Sangmyong"). The hygiene certificate submitted by the shipping agent identified Sangmyong as the importer. The Panel would recall that Sangmyong had previously been identified as an entity that had actively violated Japan's ban on luxury goods trade with the DPRK in the Panel's reports S/2012/422 (2012) and S/2013/337 (2013). Sangmyong is also listed by the Dow Jones Risk Center as an "entity fully owned by the OFAC comprehensively sanctioned government of North Korea via the Korean Worker's party".

Under Regulation 5(a) of Singapore's United Nations (Sanctions – Democratic People's Republic of Korea) Regulations 2010, "no person in Singapore and no citizen of Singapore outside Singapore shall supply, sell or transfer, directly or indirectly, any designated export item or designated luxury item to any person in the DPRK, whether or not the item originated in Singapore".

ANNEX

**APPLICATION PURSUANT TO REGULATION 17(1) OF THE UNITED NATIONS (SANCTIONS – DEMOCRATIC PEOPLE'S REPUBLIC OF KOREA) REGULATIONS 2010**

Third Report of Deputy Chief Superintendent of Customs [REDACTED], made in support of the application of the Attorney-General under Regulation 17(1) of the United Nations (Sanctions – Democratic People's Republic of Korea) Regulations 2010 ("UN DPRK Regulations"), before the undersigned District Judge, State Courts of the Republic of Singapore, on 25 August 2020.

Items seized vide Report/Case No.: C2003520/IP/01

2. As stated in the First Report of DCSC [REDACTED] filed on 11 August 2020 (the "First Report"), Singapore Customs seized the following goods on 31 January 2020 in exercise of its powers under Regulation 14A of the UN DPRK Regulations read with Sections 34 and 35 of the Criminal Procedure Code (Cap. 68) ("Seized Goods"):

- (a) 1158 cases x 4 boxes x 3 litres of Dry Red Wine;
- (b) 50 cases x 12 packets x 1 litre of Orange Juice;
- (c) 25 cases x 12 packets x 1 litre of Summer Pine Juice;
- (d) 25 cases x 12 packets x 1 litre of Medley of Fruit Juice;
- (e) 49 cases x 12 packets x 1 litre of Mango Juice; and
- (f) 25 cases x 12 packets x 1 litre of Secrets of the Valley Juice.

Reports filed by Singapore Customs on 11 August 2020 and 21 August 2020

3. The background facts and outcome of Singapore Customs' investigations are set out in detail in the First Report. To summarise, shipping documents revealed that Sangmyong General Trading Corp ("SGTC") was the client / receiver of the Seized Goods. Korea Sangmyong General Trading Corporation (also known to Singapore Customs as SGTC) was flagged by the United Nations Panel of Experts as a "DPRK end-user" in its 2013 Report<sup>1</sup> and its 2012 Report<sup>2</sup> for its involvement in the smuggling of luxury goods into the DPRK.

4. As stated in the Second Report of DCSC [REDACTED] filed on 21 August 2020 (the "Second Report"), Singapore Customs gave notice of the application to five parties that appeared to have an interest in the Seized Goods, pursuant to Regulation 17(3) of the UN DPRK Regulations. As at 20 August 2020, two parties had indicated that they would not be contesting the forfeiture of the Seized Goods. As at 25 August 2020, there

<sup>1</sup> Report of the Panel of Experts (S/2013/337).

<sup>2</sup> Report of the Panel of Experts (S/2012/422).

was no response received from the remaining three parties. Singapore Customs' correspondence with the five parties are set out in detail in the Second Report.

Mention on 25 August 2020, at 10:00 am, Court 7A of the State Courts, Republic of Singapore

5. State Counsel [REDACTED] and [REDACTED], on behalf of the Attorney-General of the Republic of Singapore, applied for the forfeiture of the Seized Goods under Regulation 17(1) of the UN DPRK Regulations. The Seized Goods were proved to be designated export items (i.e. items listed in paragraph 2(a) to 2(f) above)<sup>3</sup> and designated luxury items (i.e. items listed in paragraph 2(a) above)<sup>4</sup>. The Seized Goods were also proved to be the subject of a contravention of Regulation 5(a) of the UN DPRK Regulations which reads:

"A person in Singapore and no citizen of Singapore outside Singapore shall – (a) supply, sell or transfer, directly or indirectly, any designated export item or designated luxury item to any person in the Democratic People's Republic of Korea, whether or not the item originated in Singapore".

6. Upon the application of the Attorney-General, and upon reading the First and Second Reports, the learned District Judge [REDACTED] was satisfied that forfeiture of the Seized Goods under Regulation 17(1) of the UN DPRK Regulation was made out.

7. In view of the above, may I seek a court order for the Seized Goods to be forfeited to Singapore Customs, and either destroyed or otherwise dealt with.

[REDACTED]  
[REDACTED] (DCSC)  
Assistant Head  
Trade Investigation Branch  
Singapore Customs

*for Director-General of Singapore Customs*

<sup>3</sup> Regulation of Imports and Exports Regulations, Seventh Schedule (Prohibited imports from and exports to (including transhipped goods and goods in transit originating from or bound for) country or territory, Third Column, DPRK, (18) Any goods that are for the purposes of trade with any person in the Democratic People's Republic of Korea.

<sup>4</sup> Regulation of Imports and Exports Regulations, Seventh Schedule (Prohibited imports from and exports to (including transhipped goods and goods in transit originating from or bound for) country or territory, Third Column, DPRK, (5)(1) wines and spirits.

To the Officer of Singapore Customs:

**Order in Terms**

The Seized Goods be dealt with as the Director-General of Singapore Customs thinks fit, and in such a case the Director-General may direct that the Seized Goods be destroyed or otherwise dealt with.

The Seized Goods are:

- (a) 1158 cases x 4 boxes x 3 litres of Dry Red Wine;
- (b) 50 cases x 12 packets x 1 litre of Orange Juice;
- (c) 25 cases x 12 packets x 1 litre of Summer Pine Juice;
- (d) 25 cases x 12 packets x 1 litre of Medly of Fruit Juice;
- (e) 49 cases x 12 packets x 1 litre of Mango Juice; and
- (f) 25 cases x 12 packets x 1 litre of Secrets of the Valley Juice.



  
Magistrate / District Judge

## Annex 55: Correspondence with Guatemala



**GOBIERNO de  
GUATEMALA**  
DR. ALEJANDRO GIAMMATTEI



**MINISTERIO DE RELACIONES  
EXTERIORES**  
MISIÓN PERMANENTE DE GUATEMALA ANTE  
NACIONES UNIDAS, NEW YORK

PS/11.3.14/806

*La Misión Permanente de Guatemala ante las Naciones Unidas saluda atentamente al Grupo de Expertos establecido en virtud de la resolución 1874 (2009) del Consejo de Seguridad de las Naciones Unidas y se permite hacer referencia a su nota no. S/AC.49/2020/PE/OC.110, en relación a los esfuerzos de dicho Grupo de Expertos por reunir, examinar y analizar información respecto a la implementación de las medidas impuestas a la República Popular Democrática de Corea (RPDC).*

*La Misión Permanente de Guatemala ante las Naciones Unidas se permite informar que la República de Guatemala como Estado fundador de la Organización de las Naciones Unidas reconoce la importancia del mantenimiento de la paz y la seguridad internacionales, y con tal fin está comprometido en cumplir todas y cada una de las medidas colectivas eficaces para prevenir y eliminar las amenazas a la paz, y para suprimir actos de agresión u otros quebrantamientos de la paz; y lograr por medios pacíficos, y de conformidad con los principios de la justicia y del derecho internacional, el ajuste o arreglo de controversias o situaciones internacionales susceptibles de conducir a quebrantamientos de la paz.*

*Es así que en virtud de la solicitud realizada por el Grupo de Expertos al Gobierno de la República de Guatemala y en reconocimiento al sentido obligatorio de cumplir con el artículo 25, de la Carta de las Naciones Unidas respecto a aceptar y cumplir las decisiones del Consejo de Seguridad, se permite informar lo siguiente:*

- *El Estado de Guatemala en apego a su marco jurídico interno ha dispuesto la investigación pertinente del caso reportado por el Grupo de Expertos establecido en virtud de la resolución 1874 (2009) del Consejo de Seguridad de las Naciones Unidas;*

Honorable señor

██████████  
Coordinador del Grupo de Expertos  
establecido en virtud de la resolución 1874 (2009)  
del Consejo de Seguridad

c.c.: S/██████████ Miembro del Grupo de Expertos establecido en virtud de la resolución 1874 (2009)

---

57 Park Avenue, New York, N.Y. 10016 - Teléfonos: 001212-6794760 - Ext. 210, 220  
Correo electrónico: [onunewyork@minex.gob.gt](mailto:onunewyork@minex.gob.gt) / [www.guatemalaun.com](http://www.guatemalaun.com) Twitter: @GuatemalaONU

Síguenos en:





**GOBIERNO de  
GUATEMALA**  
DR. ALEJANDRO GIAMMATTEI



**MINISTERIO DE RELACIONES  
EXTERIORES**  
MISIÓN PERMANENTE DE GUATEMALA ANTE  
NACIONES UNIDAS, NEW YORK

- *El Estado de Guatemala, se permite informar al Grupo de Expertos establecido en virtud de la resolución 1874 (2009) del Consejo de Seguridad de las Naciones Unidas que la entidad estatal encargada de administrar el sistema aduanero, establecer mecanismos de verificación de origen de mercancías, de organizar y administrar el sistema de fiscalización y de mantener y controlar los registros en el territorio de la República de Guatemala es la Superintendencia de Administración Tributaria (SAT).*
- *Dicha institución, mediante su Nota con registro No. OFI-SAT-IAD-0471-2021<sup>1</sup>, informó que se han realizado una serie de acciones para contrarrestar los errores suscitados anteriormente con la base de datos de los agentes aduaneros. Para información del Grupo de Expertos, se adjunta la copia de dicha Nota y sus respectivos anexos.*
- *Sin perjuicio de lo anterior, se reitera el compromiso del Estado de Guatemala hacia la completa implementación de las resoluciones del Consejo de Seguridad de Naciones Unidas sobre las sanciones impuestas a la República Popular Democrática de Corea, siendo las siguientes: 1718 (2006), 1874 (2009), 2087 (2013), 2094 (2013), 2270 (2016), 2321 (2016), 2356 (2017), 2371 (2017), 2375 (2017) y 2397 (2017).*

*La Misión Permanente de Guatemala ante las Naciones Unidas aprovecha esta oportunidad para expresarle al Grupo de Expertos establecido en virtud de la resolución 1874 (2009) del Consejo de Seguridad de las Naciones Unidas, las seguridades de su más alta consideración.*



*Nueva York, 9 de julio de 2021.*

<sup>1</sup> Ver Anexo I.

57 Park Avenue, New York, N.Y. 10016 - Teléfonos: 001212-6794760 - Ext. 210, 220  
Correo electrónico: [onunewyork@minex.gob.gt](mailto:onunewyork@minex.gob.gt) / [www.guatemalaun.com](http://www.guatemalaun.com) Twitter: @GuatemalaONU

Síguenos en:



Source: the Panel

*Translated from Spanish*

**Permanent Mission of Guatemala to the United Nations**

PS/11.3.14/806

The Permanent Mission of Guatemala to the United Nations presents its compliments to the Panel of Experts established pursuant to Security Council resolution 1874 (2009) and has the honour to refer to its note No. S/AC.49/2020/PE/OC.110 relating to its efforts to gather, examine and analyse information regarding the implementation of the sanctions imposed against the Democratic People's Republic of Korea.

The Permanent Mission of Guatemala to the United Nations wishes to report that the Republic of Guatemala, as a founding Member of the United Nations, recognizes the importance of maintaining international peace and security, and to that end is committed to taking all effective collective measures to prevent and remove threats to the peace, and to suppress acts of aggression and other breaches of the peace, and to bring about by peaceful means, and in conformity with the principles of justice and international law, adjustment or settlement of international disputes or situations which might lead to a breach of the peace.

Thus, pursuant to the request made by the Panel of Experts to the Government of the Republic of Guatemala, and in recognition of the obligation to comply with Article 25 of the Charter of the United Nations, namely, to accept and carry out the decisions of the Security Council, the Permanent Mission wishes to provide the following information:

- The Government of Guatemala, in accordance with its domestic laws, has ordered an investigation into the cases reported by the Panel of Experts established pursuant to Security Council resolution 1874 (2009).

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

cc:  member of the Panel of Experts established pursuant to Security Council resolution 1874 (2009)

- The Government of Guatemala has the honour to inform the Panel of Experts established pursuant to Security Council resolution 1874 (2009) that the State entity responsible for administering the customs system, establishing mechanisms for verifying the origin of goods, organizing and administering the control system and maintaining and monitoring records in Guatemala is the Tax Administration Superintendency.
- That entity, in its note No. OFI-SAT-IAD-0471-2021,<sup>1</sup> has indicated that it has taken a series of steps to address the errors that previously arose in the database maintained by customs agents. For the information of the Panel of Experts, a copy of that note and the annexes thereto are attached.
- Notwithstanding the above, the Government of Guatemala reiterates its commitment to the full implementation of the following Security Council resolutions on sanctions against the Democratic People's Republic of Korea: 1718 (2006), 1874 (2009), 2087 (2013), 2094 (2013), 2270 (2016), 2321 (2016), 2356 (2017), 2371 (2017), 2375 (2017) and 2397 (2017).

The Permanent Mission of Guatemala to the United Nations takes this opportunity to convey to the Panel of Experts established pursuant to Security Council resolution 1874 (2009) the assurances of its highest consideration.

New York, 9 July 2021

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<sup>1</sup> See annex I.

OFI-SAT-IAD-0471-2021

Guatemala City, 17 June 2021

Madam,

I am writing in response to note No. SUBONU-487-2021-2020 of 3 June 2021, transmitting letter No. S/AC.49/2021/PE/OC.110 of 28 May 2021, signed by [REDACTED] Coordinator of the Panel of Experts established pursuant to Security Council resolution 1874 (2009), referring to the implementation of sanctions measures in the area of trade, including the export to and import from the Democratic People's Republic of Korea, in accordance with Security Council resolutions 1718 (2006), 1874 (2009), 2087 (2013), 2094 (2013), 2270 (2016), 2321 (2016), 2356 (2017), 2375 (2017) and 2397 (2017).

On the basis of the aforementioned resolutions and in order to promote best practices in their implementation in all Member States, the Panel has requested that information be provided in response to seven points relating to the first quarter of 2020 and 2021, as set out in letter No. S/AC.49/2021/PE/OC.110. The relevant information is provided below.

With regard to points 1 and 2:

In letters Nos. OFI-SAT-IAD-1276-2020 of 12 November 2020 and OFI-SAT-IAD-1411-2020 of 18 December 2020, the Customs Administration stated that, from January to March 2020 (first quarter), it fulfilled the requirement relating to external trade operations carried out under the code KP (Democratic People's Republic of Korea), indicating that, after reviewing the relevant documentation, it determined that the importer in Guatemala purchased from El Salvador goods originating from the Republic of Korea (South Korea), and that it incorrectly declared them under the code KP instead

[REDACTED]  
Ambassador  
Director-General for Multilateral and Economic International Relations  
Ministry of Foreign Affairs  
Guatemala

of the correct code, KR, corresponding to the Republic of Korea (South Korea).

The Customs Administration also clarified declarations relating to goods arriving in Guatemala are transmitted by customs agents who, according to regional laws, are auxiliaries to the public customs service and may transmit electronically customs declarations and supplementary information relating to acts, operations or customs regimes in which they participate, pursuant to Chapter II, "Auxiliaries to the public customs service", articles 19 and 21 (d), of the Central American Uniform Customs Code and its implementing regulation.

After consulting the computer system of the Tax Administration Superintendency, the Customs Administration has determined that no imports under the code KP were recorded from January to March 2021.

With regard to points 3 and 4 contained in letter No. S/AC.49/2021/PE/OC.110, the Customs Administration has consulted the various customs offices in Guatemala and wishes to report the following information:

- No cases of rejection of customs clearance or seizure of goods with the Democratic People's Republic of Korea as a country of destination/consignment or transit have been recorded by any customs office.
- No cases of rejection of customs clearance or seizure of goods with the Democratic People's Republic of Korea as a country of origin or manufacture have been recorded by any customs office. Since no cases related to points 3 and 4 have been recorded by any customs office, it is not possible to provide the information solicited in the subsequent points set out in your request.

In letter No. OFI-SAT-IAD-1390-2020 of 11 December 2020, the Customs Administration indicated that its Regulatory Department made improvements to the Central American Single Customs Declaration (DUCA) platform by prohibiting the validation of DUCA-D and low-value import declarations containing the code KP (the Democratic People's Republic of Korea). The Customs Administration has also taken the following steps to address the errors that occurred:

- Disseminating information internally and externally, through news digests and *Aduana Moderna* (Modern Customs) bulletins, indicating that the code KP should not be used in declarations of goods, in order to ensure compliance with United Nations resolutions.

- Prohibiting the use of the code KP in the Single Customs Declaration system.

Accept, Madam, the renewed assurances of my highest consideration.

(s



Superintendent of Customs

Tax Administration Superintendency

*Source:* the Panel

**Annex 56 : Correspondence with Guyana****PERMANENT MISSION OF THE CO-OPERATIVE  
REPUBLIC OF GUYANA TO THE UNITED NATIONS**

801 Second Avenue, 5th Floor, New York, NY 10017  
Telephone: 212-573-5828/29 Fax: 212-573-6225  
E-mail: guyana@un.int

19 July 2021

H.E. [REDACTED]  
**Coordinator of the United Nations Security Council  
Panel of Experts established pursuant to  
Security Council Resolution 1874 (2009)**

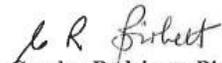
Excellency,

I have the honour to refer to your letter, dated 28 May 2021, informing of the efforts of the Panel of Experts to gather, examine and analyze 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 and requesting relevant information from the appropriate authorities of the Co-operative Republic of Guyana on trade with the Democratic People's Republic of Korea (DPRK).

In this regard, I have the further honour to advise that:

- i. No trade took place between Guyana and the DPRK for the period 2020 and 2021 (1<sup>st</sup> quarter).
- ii. Trade between the DPRK and Guyana was erroneously recorded during the period in question but this was due to logging errors. Certified true copies of the supporting shipping documents will be provided, in short order, to substantiate this.
- iii. To reduce the possibility of trade being erroneously recorded between Guyana and countries under United Nations Security Council (UNSC) trade sanctions, the competent Guyanese authority (the Guyana Revenue Authority) is introducing a Risk Profile System in the ASYCUDA World System to flag trade transactions involving countries under a UNSC sanctions regime, including the DPRK.

Please accept, Excellency, the assurances of my highest consideration.



**Carolyn Rodríguez-Birkett**

**Ambassador**

**Permanent Representative of the Co-operative Republic of Guyana  
to the United Nations**

*Source* : the Panel

## Annex 57 : Correspondence with Bulgaria

PERMANENT MISSION OF THE REPUBLIC OF  
B U L G A R I A  
T O T H E U N I T E D N A T I O N S

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11 East 84<sup>th</sup> Street, New York, NY 10028, Tel: (212) 737 4790, Fax: (212) 472 9865, e-mail: bulgaria@un.int

Nº 44

New York, 22 February 2021

██████████

I am writing with regard to your letter Ref. № S/AC.49/2020/PE/OC.19 of 16 March 2020, and have the honor to communicate the following information, as provided by the competent Bulgarian authorities:

The property relations between the Republic of Bulgaria and the Democratic People's Republic of Korea (DPRK) are regulated by an Agreement of 30 June 1982 between the Government of the People's Republic of Bulgaria and the Government of the Democratic People's Republic of Korea on the reciprocal assignment of the right to build and the right to use plots of land for the construction of embassy buildings, and the Protocol of 30 December 1986 amending the 1982 Agreement.

Pursuant to the above-described international agreements, the buildings that have been built on these plots are property of the DPRK, according to Art. 6, para 1 of the Agreement of 30 June 1982. The plots on which the properties are built belong to the Republic of Bulgaria.

According to Art. 6 of the 1982 Agreement, the plots and the buildings built on them may not be sold or transferred to a third party without the consent of the other contracting party. In regard of the fact that the above-mentioned Agreement has been concluded between the governments of the two countries, the granting of consent in the context of Art. 6 of the Agreement is within the competence of the Council of Ministers of the Republic of Bulgaria.

In light of the above, the building located on 56 Andrei Sakharov Blvd., Sofia – "Terra" Residence, is owned by the DPRK.

In February 2017, the Ministry of Foreign Affairs of the Republic of Bulgaria informed the DPRK Embassy about the restrictions imposed with UNSC resolution 2321 (2016) - prohibition of use of real estate property owned by the DPRK Embassy for any purpose other than diplomatic and consular activities. The Embassy was urged to cease any such activities immediately.

At that time two Bulgarian companies were registered at two of the properties belonging to the DPRK Embassy, namely "Terra Group" and "Technologica". The companies were strongly advised to terminate their rental agreements and to comply with the sanctions regime. According to the relevant Bulgarian authorities, no rental payments have been made by the companies to the DPRK Embassy ever since.

I take this opportunity to assure the Panel of Experts that the competent Bulgarian authorities take all necessary measures to ensure the strict implementation of all sanctions imposed on the DPRK as per relevant UNSC resolutions.

Please accept, Excellency, the assurances of my highest consideration.

Sincerely,



**Lachezara Stoeva**  
**Ambassador, Permanent Representative**

  
Coordinator of the Panel of Experts established  
pursuant to Security Council Resolution 1874 (2009)  
United Nations  
New York

Source : the Panel

**Annex 58: Images of a grand piano in DPRK in June 2021**



Source: NK news, KCTV

## Annex 59 : An excerpt from a cybersecurity firm (Kaspersky) report on the cyberattacks against the Russian defence industry

(Available on-line at: <https://ics-cert.kaspersky.com/media/Kaspersky-ICS-CERT-Lazarus-targets-defense-industry-with-Threatneedle-En.pdf>)

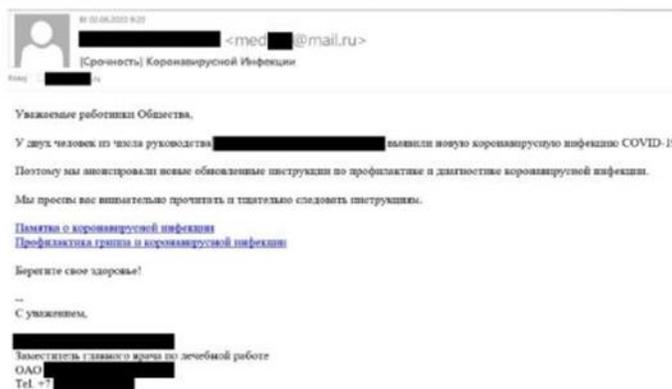
Kaspersky ICS CERT

kaspersky

### Initial infection

In this attack, spear phishing was used as the initial infection vector. Before launching the attack, the group studied publicly available information about the targeted organization and identified email addresses belonging to various departments of the company.

Email addresses in those departments received phishing emails that either had a malicious Word document attached or a link to one hosted on a remote server. The phishing emails claimed to have urgent updates on today's hottest topic – COVID-19 infections. The phishing emails were carefully crafted and written on behalf of a medical center that is part of the organization under attack.

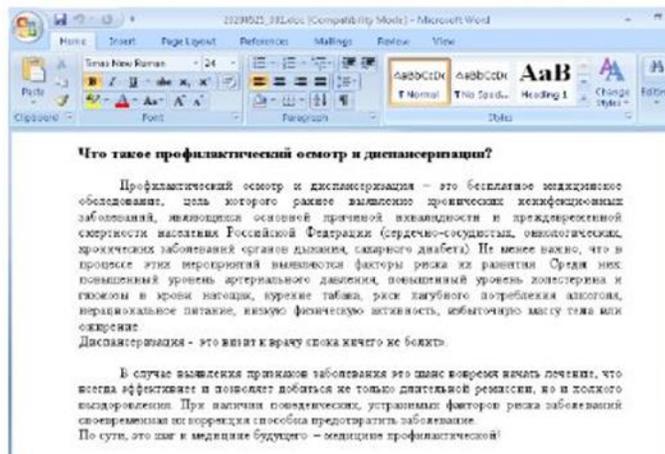


Phishing email with links to malicious documents

The attackers registered accounts with a public email service, making sure the sender's email addresses looked similar to the medical center's real email address. The signature shown in the phishing emails included the actual personal data of the deputy head doctor of the attacked organization's medical center. The attackers were able to find this information on the medical center's public website.

A macro in the Microsoft Word document contained the malicious code designed to download and execute additional malicious software on the infected system.

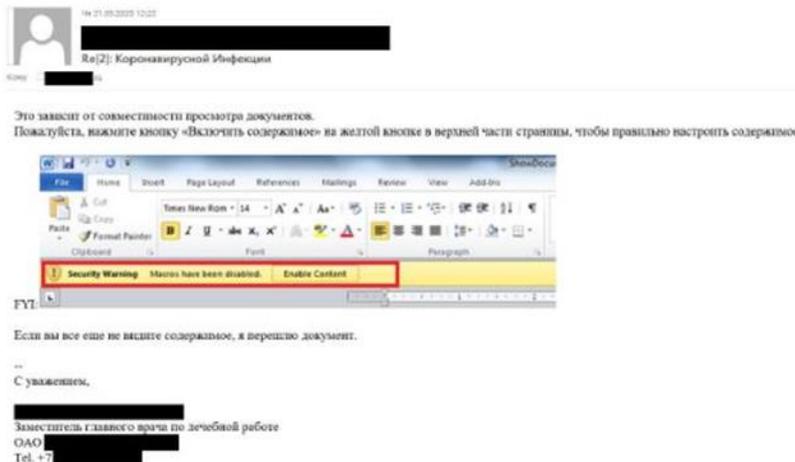
The document contains information on the population health assessment program and is not directly related to the subject of the phishing email (COVID-19), suggesting the attackers may not completely understand the meaning of the contents they used.



### Contents of malicious document

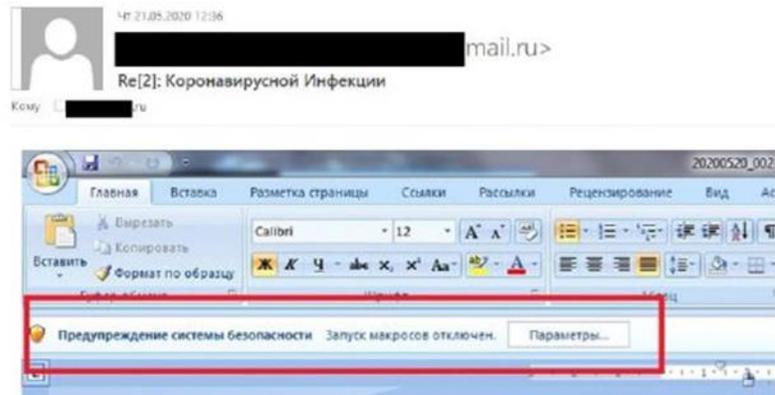
The content of the lure document was copied from an online post by a health clinic.

Our investigation showed that the initial spear-phishing attempt was unsuccessful due to macros being disabled in the Microsoft Office installation of the targeted systems. In order to persuade the target to allow the malicious macro, the attacker sent another email showing how to enable macros in Microsoft Office.



### Email with instructions on enabling macros #1

After sending the above email with explanations, the attackers realized that the target was using a different version of Microsoft Office and therefore required a different procedure for enabling macros. The attackers subsequently sent another email showing the correct procedure in a screenshot with a Russian language pack.



--  
С уважением,  
[Redacted]  
Заместитель главного врача по лечебной работе  
ОАО [Redacted]  
Tel. +7 [Redacted]

#### Email with instructions on enabling macros #2

The content in the spear-phishing emails sent by the attackers from May 21 to May 26, 2020, did not contain any grammatical mistakes. However, in subsequent emails the attackers made numerous errors, suggesting they may not be native Russian speakers and were using translation tools.

Мы обслуживаем слишком много людей в день.

Мы стараемся любезно служить всем, но иногда эти проблемы возникают.

Я отправлю вложение напрямую, пожалуйста, найдите мое вложение.

--

С уважением,

████████████████████  
 Заместитель главного врача по лечебной работе  
 ОАО ████████████████████  
 Tel. +7 ████████████████████

#### Email containing several grammatical mistakes

On June 3, 2020, one of the malicious attachments was opened by employees and at 9:30 am local time the attackers gained remote control of the infected system.

This group also utilized different types of spear-phishing attack. One of the compromised hosts received several spear-phishing documents on May 19, 2020. The malicious file that was delivered, named Boeing\_AERO\_GS.docx, fetches a template from a remote server.

However, no payload created by this malicious document could be discovered. We speculate that the infection from this malicious document failed for a reason unknown to us. A few days later, the same host opened a different malicious document. The threat actor wiped these files from disk after the initial infection meaning they could not be obtained.

Nonetheless a related malicious document with this malware was retrieved based on our telemetry. It creates a payload and shortcut file and then continues executing the payload by using the following command line parameters.

- Payload path: %APPDATA%\Microsoft\Windows\lconcaches.db
- Shortcut path: %APPDATA%\Microsoft\Windows\Start Menu\Programs\Startup\OneDrives.lnk
- Command Line; please note that the string at the end is hard-coded, but different for each sample:
  - rundll32.exe [dllpath],Dispatch n2UmQ9McxUds2b29

The content of the decoy document depicts the job description of a generator/power industry engineer.

Source : the Panel

## Annex 60: Reply from Ecuador



Misión Permanente del Ecuador ante las  
Naciones Unidas en Nueva York

New York, 8 July 2021

Mr. Coordinator,

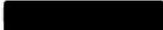
I have the honour to refer to your letter dated 11 November 2020, with regard the ongoing efforts to examine and analyse information regarding the implementation of the measures imposed on the Democratic People's Republic of Korea (DPRK) by Security Council resolutions 1718 (2006), 1874 (2009), 2087 (2013), 2094 (2013), 2270 (2016), 2321 (2016), 2356 (2017), 2371 (2017), 2375 (2017) and 2397 (2017).

I further wish to inform that in response to the request made to the Government of Ecuador, and in compliance with the obligations arising from the relevant resolutions of the Security Council on this matter, the Government of Ecuador undertook the applicable measures for the termination of the contractual relationship between the Decentralized Autonomous Government of the Province of Pichincha and the nationals from de DPRK, and for the repatriation to their country of origin.

I remain at your disposal should the Panel need additional information.

Please accept Mr. Coordinator the assurances of my highest consideration.

Ambassador Cristian Espinosa,  
Permanent Representative of Ecuador to the United Nations

  
Coordinator of the Panel of Experts  
Established pursuant to resolution 1874 (2009)  
United Nations Security Council,

Cc. [dppa-ooe1874@un.org](mailto:dppa-ooe1874@un.org)

Source : Member State

## Annex 61: Purported Contract Signing with KCC Representative

密码

登陆

关于圣滨

圣滨介绍

永翔介绍

企业文化

领导致辞

组织机构

合作单位

### 永翔国贸与朝鲜KCC会社签署POS机采购合同

发布日期: 2021-1-4

近期, 由永翔国际贸易有限公司与朝鲜知名公司KCC会社就POS机采购一事签署重要的商业合同。

KCC会社是朝鲜国家财税省下属企业, 从事为国家银行金融机构进行软硬件的开发采购事宜, 为永翔国际的长期友好合作伙伴。

为了本次POS机的采购订单, 我司业务经理多次南下深圳, 与国内知名的设备生产商进行业务洽谈, 深入制造车间探究产品生产和质量, 力求向朝方提供国内最为优质的设备产品。同时, 在与朝方多次意见交流后, 将客户个性化意见反馈至厂家, 为客户满意的订制了其要求的软硬件产品。由于现今朝鲜还没有POS机使用的先例, 所以仅此一项弥补了朝方金融领域一大空缺, 真正迈进了多功能交易终端和非现金结算的时代!

本次与KCC会社的驻华代表通过友好的洽谈, 达成了战略合作意向, 签署了大批量的采购合同, 首批POS机已完成生产运抵大连, 即将发往朝鲜, 后期多批次机器也正在按合同要求有计划的生产制造中。永翔国际本着质量第一、客户至上的原则, 严格把控产品质量, 追踪产品使用情况, 力求为客户提供最为优质的服务。KCC代表对此次采购非常满意, 并表示将与永翔在多领域继续开展友好合作!




上一篇: [刘军董事长会晤朝鲜海运省代表团](#)    下一篇: [刘军董事长考察延边自治州](#)

Source: The Panel, website (address on file) accessed 17 March 2021.

### Unofficial Translation:

“Recently, the Yongxiang International Trading Company Limited [hereinafter referred to as Yongxiang International] signed an important commercial contract with the KCC Corporation, a well-known North Korean company, on the purchase of POS [Point of Sale] machines.

The KCC Corporation is an enterprise under the North Korean Ministry of Finance and Taxation and is engaged in the development and procurement of software and hardware for national banks and financial institutions. It is also a long term friendly cooperative partner of the Yongxiang International.

For this purchase order of POS machines, Yongxiang International's business manager went south to Shenzhen [in Guangdong Province] for many times to discuss business with China's well-known equipment manufacturers and delved into the production and quality of products at manufacturing workshops to strive to provide the North Korean side with the most high-quality equipment products in China. At the same time, after several exchanges of opinions with the North Korean side, the customer's personalized opinions were fed back to the manufacturers, and the required software and hardware products were customized to the satisfaction of the customer. Since there is no precedent for the use of POS machines in North Korea at present, this alone has helped North Korea to fill a major gap in the financial field and truly enter the era of multi-functional transaction terminals and non-cash settlements.

Through friendly negotiations with KCC representatives in China, a strategic cooperation intention was reached, and a large number of procurement contracts were signed. Also, the first batch of POS machines had completed production, arrived in Dalian, and would be shipped to North Korea soon. In the later stage, many batches of machines would be manufactured in a planned way according to the contract requirements. Based on the principle of quality first and customer first, the Yongxiang International strictly controls the quality of products, tracks the use of products, and strives to provide the best service for customers. KCC representatives were very satisfied with the purchase and said that they would continue to carry out friendly cooperation with Yongxiang in many fields.”

**公司介绍**

**1.** 永翔国际贸易实业有限公司，注册地为香港。公司主要业务范围：综合国际贸易，进出口业务，公司成立至今，与欧美亚多地都有合作和贸易往来，享有良好的国际声誉。

公司于2017年，在平壤与朝鲜中央银行合作成立金融银行，2018年在朝鲜江原道设立金融银行分行，业务范围：外国投资企业和外国企业，外国人的外汇汇款，外汇贷款及投资业务，活期户头超额支付，外汇票据折扣，对外汇债务及合同义务履行的保证，外汇汇款，进出口货物收款结算，信用调查及洽谈，信托，对客户的信用卡发行，在非居民之间的交易工作。

公司长年以来致力于经营管理国内外大型船舶，研制和开发先进的船舶技术，以及国际航线和集装箱运输的运营管理，业务卓有成效，名声享誉海内外。在元山葛麻旅游休闲开发区，独资开发建设四星级国际酒店、外国人国际公寓，独家经营开发区的游艇及码头等相关设施。近年来公司勇于业务范围，覆盖软件开发、银行系统设备研制、一线电子产品、服装产业、家装建材、文化影视业、劳务人员培训输出、大宗商品进出口贸易、国际一流品牌产品销售代理和新型合作模式的创新。

公司秉承“客户至上，海纳百川，求实创新，互惠互利”的经营宗旨，加强与各界的联系与合作，通过联手国内外知名品牌厂家，开拓国际贸易市场，为客户与品牌企业构建合作平台，实现资源互补，互利双赢。

公司贯彻“以人为本”的管理理念，积极建设“团结进取，争创效益”的企业文化。注重提高管理效率，重视人才储备战略。努力培养各级人才的思想品质、政治素质、集体观念以及奉献精神。从而保证企业动力充足，沿着健康的方向不断发展，创造美好的未来。

Source: The Panel, website (address on file) accessed 17 March 2021

### Unofficial Translation:

“Yongxiang International Trade Industrial Co., Ltd. is registered in Hong Kong. The company's main business scope: comprehensive international trade, import and export business. Since its establishment, the company has cooperated and traded with many places in Europe, America and Asia, and enjoys a good international reputation.

In 2017, the company established a financial bank in Pyongyang in cooperation with the Central Bank of North Korea. In 2018, it set up a financial bank branch in Gangwon-do, North Korea. Its business scope: foreign investment companies and foreign companies, foreign exchange remittances, foreign exchange loans and investment business, current demand Account overpayment, discounts on foreign exchange bills, guarantees for foreign exchange debts and contract obligations, foreign exchange remittances, settlement of import and export goods, credit investigations and negotiations, trusts, credit card issuances to customers, and transactions between non-residents.”

## Annex 62: Letter to China and Reply

### Figure Annex 62-1: Letter to China



REFERENCE: S/AC.49/2021/PE/OC.68

10 May 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.

Based on publicly available information, the Panel is investigating an alleged sale of payment processing systems, known as point-of-sale (PoS) machines, to the "Korea Computer Center" (KCC), which is part of the DPRK's Ministry of Finance and Taxation. The Panel is investigating this matter as a possible violation of, inter alia, paragraph 18 of resolution 2375 (2017) which prohibited joint ventures or cooperative entities with DPRK individuals and entities and paragraph 11 of resolution 2094 (2013) which prohibit the provision of financial services or transfer of financial or other assets or resources that could contribute to the DPRK's nuclear or ballistic missile programmes. According to a 4 January 2021 post on the "Dalian Shengbin Crew Service Company Limited" website (annex), the Yongxiang International Trading Company Limited<sup>1</sup> signed a commercial contract with KCC to supply PoS machines. In its efforts to gather reliable and verifiable information, the Panel would be grateful for your assistance in supplying the following information:

- A copy of the previously referenced contract;
- A full description of the PoS machines;
- Copies of all purchase-orders, invoices, pro-forma invoices related to the sale of PoS machines to KCC;
- Any shipping records, to include customs declarations and inspection reports; and
- Records of any financial transactions between KCC and Dalian Shengbin Crew Service Company Limited, including account numbers, bank names, and all relevant transaction details.

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

<sup>1</sup> According to information provided on the website, Yongxinag International Trading Company Limited is a subsidiary or affiliate of Dalian Shengbin Crew Service Company Limited.

His Excellency  
Mr. Zhang Jun  
Permanent Mission of China to the United Nations  
New York

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.

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 [REDACTED]. 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)

Annex: Photographs of purported contract signing with KCC representative

*Source* : the Panel

## **Figure Annex 62-2: China's Reply**

### **6. POS machine (OC.68)**

China's relevant authorities have not yet completed the verification and investigation accordingly. China has always been faithfully fulfilling the relevant provisions of the Security Council resolutions on imports from and exports to the DPRK. To ensure the validity of Security Council resolutions, any items that are prohibited to export to the DPRK will not be released by the Chinese customs even relevant contracts are signed.

We hope that the Panel will not expand the interpretation of the Security Council resolutions, which have clear provisions on providing financial services to the DPRK.

*Source* : Member State

Annex 63: Records from the Chinese Ministry of Commerce<sup>55</sup>

**商务部业务系统统一平台**  
全国外商投资企业年度投资经营信息联合报告信息公示

企业报告日期: 2017-05-04      出具回执部门: 大连市中山区外经贸局      出具回执日期: 2017-05-09  
统一社会信用代码: 91210200716964630X      进出口企业代码: 2102716964630      法定代表人: 马东赫

一 企业基本情况      **二 投资情况**      三 经营情况      四 境内外投资及分支机构情况

**投资情况**

投资总额 (万美元)	12
注册资本 (万美元)	10.0
其中: 中方认缴 (万美元)	4.0
外方认缴 (万美元)	6.0
实收资本 (万美元)	10
其中: 中方实缴 (万美元)	4
外方实缴 (万美元)	6

**境内投资者**

姓名/名称	中文	大连友惠国际贸易有限公司
	英文	0
股权比例 (%)		40
认缴注册资本 (万美元)		4
认缴出资方式	其中: 现金 (万美元)	4
	实物 (万美元)	0
	无形资产 (万美元)	0
	土地使用权 (万美元)	0
	股权 (万美元)	0
	其他 (万美元)	0
累计实际出资金额 (万美元)		4

**境外投资者**

姓名/名称	中文	朝鲜新兴信息技术贸易会社	①
	英文	0	
国籍 (或地区) /注册地		朝鲜	②
资金来源地		朝鲜	
股权比例 (%)		60	③
认缴注册资本 (万美元)		6	
认缴出资方式	其中: 现金 (万美元)	6	
	实物 (万美元)	0	
	无形资产 (万美元)	0	
	土地使用权 (万美元)	0	
	股权 (万美元)	0	
	其他 (万美元)	0	
累计实际出资金额 (万美元)		6	

- ① Choseon Xinxing Information Technology Trade Association
- ② Democratic People's Republic of Korea
- ③ Ownership Stake in China-based company

Source: The Panel, website (address on file) accessed on April 2021

<sup>55</sup> One expert objects to this annex because the content needs further corroboration.

Annex 64: Corporate Registry Records and Analysis of Social Media Profiles<sup>56</sup>

CERTIFICATE OF INCUMBENCY

Name of Company: SUPER GOLD HOLDINGS INC.

We, BEP (Anguilla) Limited of Babrow Building, The Valley, Anguilla, British West Indies, being the duly appointed Registered Agent of SUPER GOLD HOLDINGS INC. (the "Company"), an International Business Company incorporated in Anguilla on the 3<sup>rd</sup> Day of October 2016 with registration number 2414897 hereby certify the following:-

- The Company is in Good Legal Standing in Anguilla;
- That as far as can be determined from the documents retained at the Registered Office of the Company at Babrow Building, The Valley, Anguilla, British West Indies:
  - The authorized capital of the Company is US\$1,000,000.00 divided into 1,000,000 shares of US\$1.00 par value.
  - The sole director is:
 

Name CHEN, CHIHWEI No. 150, Cheng'ai Rd, Fengshan Dist., Kaohsiung City 830, Taiwan	1	Date of Appointment 25 <sup>th</sup> September 2018
---	---	--
- This company does not have a secretary because this is not mandatory under the International Business Companies Act 2000 of the laws of Anguilla under which the company was incorporated.
- The current shareholder (i.e. companies/individuals with 10% or more of the shares/voting rights of the Company, of which none are held in the form of bearer shares) is:
 

Name	No. of Shares Held	% of Shares / Voting Rights
CHEN, CHIHWEI No. 150, Cheng'ai Rd, Fengshan Dist., Kaohsiung City 830, Taiwan	1,000,000	100%

1

NO. 150, CHENG'AI RD, FENGSHAN DIST, KAOHSIUNG, TAIWAN PROVINCE OF CHINA

Google

**TO ENABLE ASSIGNMENT OF A COMPANY IDENTIFICATION NUMBER, PLEASE PROVIDE THE FOLLOWING DETAILS:**

CURRENT COMPANY NAME\* **SPRING GAIN INTERNATIONAL LIMITED**

FORMER NAME(S) (if known) [REDACTED]

Please indicate if:

This is correcting the details for an existing company on the LR-F database

This is a newly established company

This is a change of company name (please give former names above)

This is a company merger (please give former names of all companies above)

DATE OF REGISTRATION **8 MAY 2008**

OF REGISTRATION [REDACTED]

CONTACT ADDRESS\* **NO.150, CHENG-AI RD., FENGSHAN CITY**

TOWN\* **KAOHSIUNG COUNTY**

POSTAL/ZIP CODE\* **830 TAIWAN, [REDACTED]**

TELEPHONE **07-336-4888** FAX **07-535-4222**

E-MAIL **[REDACTED]@MANSON.COM.TW** WEBSITE [REDACTED]

IF KNOWN PARENT COMPANY [REDACTED]

IMO ship identification number(s) \* **7903366**

If not available other ship details (please supply at least one IMO ship identification number in the current fleet. This helps in the identification of company records)

<p><b>MANSON SHIPPING (SINGAPORE) PTE LTD.</b> <b>JIU LI SHUN TRADING CO., LTD.</b></p> <p>Manager [REDACTED]</p> <p>26/F-1 No.29 Hai-Pien Road, Lingya District, Kaohsiung City, Taiwan R.O.C. Tel: 07-535-4222 Fax: 07-535-4222 E-mail: manson@manson.com.tw Registration No.: 1049714</p>	<p>新加坡萬華順船務代理有限公司台灣分公司 聚利順貿易股份有限公司</p> <p>MANSON.COM.TW 07-336-4888 07-535-4222</p>
--	---

**Winson Oil Bunkering Pte. Ltd.**  
80 RAFFLES PLACE, #41-01 UOB PLAZA 1, SINGAPORE 048624  
TEL : +65-6222-9888 FAX : +65-6220-0988

**Jiu Li Shuen Trading Co., Ltd**  
26/F-1 NO.29, HAI-PIEN ROAD, LINGYA DISTRICT, KAOHSIUNG 802, TAIWAN  
TEL : +886-7336-4888 FAX : +886-7535-4222

**WINSON OIL DMCC**  
UNIT NO: 3807, DMCC BUSINESS CENTRE, LEVEL NO 1, JEWELLERY & GEMPLEX 3, DUBAI, U.A.E.  
E-MAIL : bunker@winsonoil.ae

Source: the Panel

<sup>56</sup> The Panel has redacted this third party primary documentation in order to issue a consensus report. Six Panel members object to this redaction.

## **Annex 65-1: Survey of NGOs on the effects of COVID-19 on humanitarian operations**

In order to assess the impact of COVID-19 on humanitarian organizations operating within the DPRK, the Panel sent a survey of questions to 38 organizations. Responding organizations included both UN organizations as well as non-governmental organizations that applied for exemptions either directly to the 1718 Committee, or through a Member State or the UN Resident Coordinator in the DPRK. At the outset, the Panel clarified that responding to its inquiry was optional and that it had no bearing on the exemption approval processes within the 1718 Committee. The following questions were sent to the organizations.

**QUESTION 1:** What is your assessment of the impact of the limitations related to the COVID-19 pandemic and sanctions on the DPRK, and in what way has it influenced the overall humanitarian situation? If possible, please include information or examples that support your assessment.

**QUESTION 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.

**QUESTION 3:** If your operations require humanitarian exemption approvals from the 1718 Committee, has the approval process met your needs? What, if anything, could be improved in the exemption process, or in the implementation of UN sanctions, to better meet your operational needs and objectives?

**Table Annex 65-1. Humanitarian organizations' responses to the Panel's Survey**

The Panel does not take a position on the responses and has not verified the veracity of any claims made therein. The Panel has redacted Member States' identities and other phrases which might jeopardize the safety of the relevant organizations.

Org. No.	Responses
1	<p>“It is a serious problem that the process of obtaining approval for the exemption for humanitarian assistance to DPRK takes a long time at this critical juncture of the COVID-19 pandemic and natural disasters. Since the UN Security Council Committee approved the updates to the Implementation Assistance Notice No.7 the Committee has announced that it would expedite the exemption procedure for emergency assistance to DPRK for natural disasters and COVID-19. However, it turned out that submitters of the humanitarian exemption requests must provide detailed information of necessary goods they plan to deliver to DPRK, including specifications. To meet the condition, non-governmental organizations, or NGOs on the ground in [REDACTED] need to confirm a purchase deal with the providers of goods or purchase the items before submitting the exemption requests to add the required information of the supplies in their documents. Yet it is not easy for the NGOs to purchase goods in advance, not knowing if they could obtain approvals for their exemption requests. Some providers tend not to easily share detailed information about their products unless the NGOs purchase them first or make a contract for future purchases. But timing is the most critical element for humanitarian assistance for emergencies because the aid needs to be delivered before things deteriorate or more severe damages occur. However, it is highly likely to miss the golden time in this situation while preparing for the exemption approval. Such a result would negatively impact humanitarian assistance for all cases, including natural disasters and the pandemic.”</p> <p>“In 2018 after sanctions against DPRK were strengthened, the country’s food production was 4.95M tons, down by 9% compared to 2017, which caused the nation to require humanitarian assistance. Also, malnutrition is closely related to various humanitarian situations other than food shortage. As mentioned above, submitting an exemption request itself already takes a long time before the actual humanitarian assistance is delivered to DPRK; thus, we need to consider and review calling for the adoption of the “Whitelist.” ”</p> <p>“The “secondary boycott” measures have prevented bank transactions for payments for humanitarian supplies and vessels to enter DPRK ports, and the routes for delivering humanitarian items to DPRK have been blocked. As a result, DPRK counterparts have given up on humanitarian projects for their country. Due to the prolonged suspension of assistance for DPRK and inter-Korean cooperation and exchange, it has become evident that the donors and sponsors of NGOs increasingly tend not to show interest in DPRK projects. Therefore, the UN needs to ease approval conditions for exemption requests on humanitarian supplies so that the NGOs can resume their assistance activities actively.”</p> <p>“[Foreign] banks are more and more reluctant to supply sufficient amounts of cash, particularly if the cash supply is intended for projects in DPRK. 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 [the organization’s] side to unblock the situation.”</p>
2	<p>“The drastic measures imposed by the country in regard to the complete cessation of movements of goods and people had repercussions on the preparation of the planting activities on the one hand, and on importations of agricultural inputs on the other hand. Both of these resulted in a large shortage of domestic production, which is estimated to have caused huge impacts on the population. In addition to the COVID-19 limitations’</p>

	<p>impact on the humanitarian situation, the management of the numerous natural disasters of 2020 further exacerbated the dire food insecurity.”</p> <p>“...with no direct access to the country, it proves difficult for [the organization] to monitor, assess and analyze the impact of the suspension of its food security projects on their beneficiaries, let alone the general impact of COVID-19 limitations and the cessation of importations on the humanitarian situation in DPRK.”</p> <p>“Since the DPRK imposed strict quarantine measures and closed its borders in January 2020, [the organization’s] operational capacity in DPRK has been highly compromised. In March 2020, two out of the three expatriates present in Pyongyang were able to leave the country...[P]artnership with local actors has been made more fragile. This is already having strong consequences on future programming capacity, such as the impossibility to be able to seek new funding for the next coming years. Partners have indeed cited the lack of post-COVID-19 visibility as reasons not to seek further grants and develop new projects.”</p> <p>“As of October 2020, all of [the organization’s] projects are officially suspended. This will have immediate consequences when the country reopens, as suspended projects will require further extension from funding partners to cover reopening assessment phases. The mid-term operational capacity of the organization in DPRK has also been impacted due to the increased remote communication and management issues that arose from the absence of expatriates in Pyongyang.”</p> <p>The organization further noted that overhead costs, which continue despite the lack of operations, are “not fully eligible for support by funding partners.”</p> <p>“In 2018, [the organization] observed an increase in the prices of the project goods, of 5 to 25% depending on the item (25% for cement). Korean providers offer prices that are two to five times higher than Chinese providers. Chinese<sup>57</sup> providers also tend to increase their offers due to the complexity and uncertainty of the customs processes. Besides, the need to separate batches according to delays in obtaining exemptions and clearances implies regular additional transportation costs which are significant for [the organization’s] project budgets.”</p> <p>“the daily implementation of the humanitarian exemption implies to manage simultaneously: the logistic processes for the purchases put on hold, contract modifications with providers to adapt to new constraints and delays, writing follow-up modifications of previously granted exemptions, dealing with complicated [REDACTED] domestic regulations reluctant to implement humanitarian exemptions...These recurrent tasks do require some extra time from Project Managers and Country Director, which eventually takes away time for the qualitative achievement of the projects’ results. All in all, these unintended impacts of the implementation of sanctions result in a general delay in all project implementation. It proves to be all the more important that authorization processes be more simplified and flexible in order not to infringe on the organizations’ operational capacity.”</p> <p>“The general opinion is that the request process is not quite optimal but that it remains acceptable. In order to better meet the organization’s operational needs and objectives, more guidance from the Committee could be valuable for [the organization].”</p>
3	<p>“Since our last correspondence...we have observed almost no changes regarding the situation with our project activities in North Korea.”</p>

<sup>57</sup> One expert objects to the usage of “Chinese” and “customs processes” in this sentence.

4	<p>“The strict measures and limitations that [the organization] has been itself facing in regards to the COVID 19 have significantly reduced the organization’s capacity to monitor the impacts of the restrictions at a local and national level.”</p> <p>“The last [the organization’s] expatriate staff left the country in August 2020 considering the total suspension of the activities and the complete lack of visibility regarding a potential restart of [the organization’s] operations in the country, as well as the possibility to send personnel, funds and equipment needed to properly run the projects.”</p> <p>“The access and communication barriers imposed by the COVID 19 situation as well as the lack of secondary data from other sources make it impossible for [the organization] to propose an analysis of the humanitarian situation evolution in regards with the current pandemic.”</p> <p>“...restrictions made impossible for [the organization] to keep implementing its projects within acceptable quality and integrity standards, forcing the organization to suspend all its activities.”</p> <p>“...indeed, certain support running costs must be maintained, but they are not fully eligible for our financial partners and [the organization] 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 [REDACTED], [the organization] has therefore been accumulating debts since the suspension of its operations.”</p> <p>“In terms of future operational capacity, the restart of [the organization’s] activities in the country will imply a mission revitalization period ...; 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.). Additional extension of projects will probably be needed, inducing costs that were not initially planned; [the organisation] is coordinating with its financial partners and will propose adjustments to its projects once the situation will have been reassessed.”</p> <p>“Even though the COVID 19 related restrictions on importations decided by DPRK are responsible for this situation, it has to be mentioned that [the organization] currently has materials and equipment... blocked at the border since January 2020. [the organization] 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.”</p> <p>“An issue to report is that the exemptions granted to [the organization] are sometimes not recognized by [REDACTED] customs, which implies additional negotiations and explanation delays with [REDACTED] authorities to eventually lift this barrier.”</p>
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Source : the Panel

## Annex 65-2: Statements from NGOs regarding UN sanctions

The following quotes have been compiled from the responses to the Panel's survey to NGOs.

The Panel does not take a position on the responses and has not verified the veracity of any claims made therein.

The Panel has redacted Member States' identities and other phrases which might jeopardize the safety of the relevant organizations.

- "...The cash flow limitations remain the main challenge for organisations to operate in DPRK. Specifically, the closing of all banking channels to DPRK implies [REDACTED] in the country, thus representing an additional administrative and HR constraint. Banks appear to be reluctant to risk engaging with the DPRK, which is impacting all programmes. In general, the unavailability of cash in the country makes it complicated for organisations to implement activities. Action plans must be adapted to the availability of cash, to the detriment of needs."
- "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. All in all, the administrative work related to sanctions implementation takes away fluidness, which impacts the working rhythm but does not infringe on the optimal dynamism of programme implementation."
- "following the set of sanctions implemented in 2018 (following UNSC resolution 2397 of December 2017), the [REDACTED] Customs have put a special emphasis on humanitarian imports, creating additional delays instead of easing the exempted imports."
- "the importation process through [REDACTED] has proven to be increasingly complicated as issues specific to [REDACTED] customs arise. 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"
- "several major suppliers stopped submitting offers, mentioning specifically the [REDACTED] sanctions in place since January 2018, which do not specify any exemption for humanitarian activities. Suppliers are worried, increasingly reluctant to send their offers to call for tenders and discouraged by the [REDACTED] sanctions, in terms of customs clearance as well as in terms of banking."

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- “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.”
  - “...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 [the organization’s] side to unblock the situation.”
  - “Since the sanctions have come to force, a drop in the number of suppliers applying for the tenders [the organization] 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 is now well understood and managed but can still provoke delays in case of unexpected administrative issue (e.g.: ████████ customs that sometimes refuse to recognize the exemptions granted to [the organization] –calling for additional negotiations).”

*Source* : the Panel

### **Annex 65-3: Summary of suggestions from NGOs**

The following list of suggestions has been compiled from the responses to the Panel's survey to NGOs. The Panel does not take a position on the suggestions and has not verified the veracity of any claims made therein. The Panel has redacted Member States' identities and other phrases which might jeopardize the safety of the relevant organizations.

- “The end of the COVID-19 pandemic is an unforeseeable future. Thus, the Committee needs to reconsider its sanctions against DPRK on humanitarian assistance to help resolve the unprecedented case in the country. Also, the Committee should streamline the exemption procedure by writing a Whitelist on the already approved supplies or similar projects.”
- “It sometimes takes a long time for an exemption request for a humanitarian project for DPRK to be approved because of the awareness that all people in Pyongyang belong to the privileged class. Such an awareness needs to change that delivery of humanitarian assistance should be made without prejudice for those who live in Pyongyang but are underprivileged.”
- “The first suggestion is the extension of the exemption validity period. It was [the organization's] opinion that 6 months was a too short period to be able to: put in place the calls for tenders; examine, assess and preselect offers based on technical and financial criteria; request and obtain the validation of the service provider by [the state official]; finalize the contract with the service provider; and proceed to the importation and customs. It has previously been the case that, by the time the entire process is completed, the validity of the exemption reaches its term. It then leaves little time for the activities to be put in place.”
- “The market realities are not often aligned with the technical specificities provided in the exemption request submitted to the UNSC Sanctions Committee. This implies that the slightest modification requires the submission of a new request to the Committee in order to confirm the exemption and enable █████ clearances... The most convenient adjustment to the exemption process for [the organisation] would be to be able to get a global validation from the Sanctions Committee for each project, thus covering the entirety of the project's duration. Such a measure would most definitely ease the project implementation.”
- “[The organization] would also like to suggest the Sanctions Committee to assist in supporting customs authorities in transit countries by sending comprehensive instructions to facilitate the timely clearing of humanitarian items, as well as to consider issuing a communication to Member States, encouraging them to assist in exploring banking channels and highlighting that banking operations which support humanitarian operations are exempt from sanctions.

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- “As of October 2018, the Sanctions Committee now publishes authorizations online, this can be very useful in asserting permissions. A good practice that could be implemented to facilitate the process would be to translate these documents into Chinese as well.”
  - “the extension of the 6-month validity period granted for each exemption. Indeed, considering the weight of the exemption request process as well as the procurement delay necessary to import the goods and equipment in DPRK, the 6-month exemption granted so far complicates the implementation of the projects since it has to be quickly renewed to prevent delays in the delivery of the following items to be imported. In addition, despite the fact that the exemption process is now well understood and managed by all the stakeholders, any issue in the exemption granting process or more likely in the importation process could delay the importation to more than 6 months and therefore make null and void the exemption valid for 6 months. The current restriction on imports linked to the COVID 19 situation is a good example of this constraint: as mentioned previously, [the organization] 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. Considering the complete lack of visibility about the timeframe to expect regarding the resumption of the imports, it is likely that [the organisation] will have to ask for a new extension of the exemption.”
  - “Strengthen the link with the [REDACTED] 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.”

*Source* : the Panel

## **Annex 66: Consolidated list of recommendations**

### **Maritime**

#### *On vessel identity laundering and swap*

- 1. Member States and ship registries should issue up-to-date circulars on identified laundered AIS digital profiles used as cover identities, so as to caution against trading with such ships.**
- 2. Where there is suspicion about the validity of the identifiers of a vessel, port and other relevant maritime authorities should conduct the necessary checks of the history of such vessels entering its port jurisdiction waters, pursuant to paragraph 9 of resolution 2397 (2017).**
- 3. Flag registries should require all applicants seeking to join their registry to include up-to-date photographs of the exterior (bow, stern deck) and interior of their vessels where vessel identifiers are displayed.**
- 4. Member States hosting shipyards that service foreign-flagged vessels should raise awareness of the risk of vessels seeking physical alterations or other modifications to obfuscate their identity in order to engage in sanctionable activities.**

#### *On information sharing*

- 5. Flag registries should regularly publish a list of deregistered vessels on their website and in maritime circulars for the broader shipping community.**
- 6. The misuse of MMSIs is a trend affecting various flag registries. To assist and ensure that the MMSIs of flag registries are not fraudulently used, the Panel encourages registries and Member States in whose waters vessels transmit fraudulent identifiers to investigate such vessels and to share the results of their investigations, including with the Panel, in particular where it relates to suspected sanctions evasion activities.**

#### *On AIS manipulation*

- 7. Member States should monitor and investigate vessels that broadcast suspect identifiers particularly in waters where DPRK and DPRK-linked vessels are known to operate.**
- 8. Flag registries should ensure dedicated personnel for monitoring the AIS status of their registries' fleet as part of their due diligence efforts, including contacting ships that broadcast AIS information that is different from that in their registered profile.**
- 9. Classification societies should certify the existence of a single, functional, type A AIS system on each vessel as part of a periodic safety inspection. Inspections should look for evidence of multiple AIS systems.**

#### *On beneficial ownership information*

- 10. The Panel reiterates its recommendation that Member States require their relevant competent authorities to disclose beneficial ownership information related to all legal entities seeking to register vessels under their ship registry. Member States with open registries should endeavour to collect identifying and contact information for each individual who owns or exerts control over the foreign entity to which each vessel belongs, whether as a controlling shareholder, a financier of the enterprise, or a senior manager or decision-maker. Such information should be made available to relevant entities such as law enforcement, as well as to the Panel, to facilitate sanctions implementation efforts.**

## Trade and Customs

11. The Panel recommends that the International Organization for Standardization (ISO) look into possible measures to prevent erroneous usage of country codes for the Democratic People's Republic of Korea and the Republic of Korea (KP and KR respectively).
12. The Panel recommends that Member States streamline their export and import control lists, using as supportive material the Panel's informal list of prohibited commodities.
13. The Panel notes that Member States could study the possibility of using the ASYCUDA system, developed by UNCTAD (a computerized customs management system, now used in more than 80 countries; see <https://asycuda.org/en/>) to monitor transactions with sanctioned jurisdictions.
14. The Panel recommends that the customs authorities of Member States use the above-mentioned resources for the information of and usage by the trading agents of their jurisdictions for due diligence purposes, particularly when dealing with prohibited commodities in relation to trade with sanctioned jurisdictions.

## Luxury Goods

15. The Panel reiterates its recommendation that Member States streamline their export control lists to reflect the list of prohibited luxury goods in a manner consistent with the objectives of resolutions 1718 (2006), 1874 (2009), 2094 (2013), 2270 (2016) and 2321 (2016), 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.
16. The Panel reiterates its recommendation that Member States encourage their business entities and nationals exporting luxury goods to include a contractual provision to prevent resale to the Democratic People's Republic of Korea.
17. The Panel reiterates its recommendation that Member States and relevant organizations encourage shipping and transportation companies to provide thorough systems for checking consignees, bearing in mind the risk of trans-shipment.

## Finance

18. The Panel notes the October 2020 revision by the Financial Action Task Force of Recommendation 1 and its Interpretive Note (R.1 and INR.1) to require countries and private sector entities to "identify, assess, understand and mitigate their proliferation financing risks (PF risk)" related to "the potential breach, non-implementation or evasion of the targeted financial sanctions". Pursuant to this requirement, the Panel recommends that all Member States and private sector entities review the recently published FATF Guidance on Proliferation Financing Risk Assessment and Mitigation.

## Unintended Impact of Sanctions

19. The Panel notes the usefulness of biannual briefings by the relevant United Nations agencies on the unintended impact of sanctions and recommends that the Committee continue this practice.
20. The Panel reiterates the need for urgent measures to re-establish the banking channel.
21. 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.