

8 novembre 2024

Monsieur l'Ambassadeur,

Au nom du Comité du Conseil de sécurité créé par la résolution 1718 (2006), j'ai l'honneur de me référer à votre lettre datée du 30 octobre 2024, par laquelle vous transmettez au Comité, en vertu du paragraphe 25 de la résolution 2397 (2017) et conformément à la Notice n° 7 d'aide à l'application, une demande présentée par Agriconsulting SA (AESAs) Italy – qui a remporté un appel d'offres de l'Union européenne concernant la fourniture d'un appui technique à la République populaire démocratique de Corée dans le domaine de l'alimentation, à savoir le projet intitulé « Bureau de la sécurité alimentaire en République populaire démocratique de Corée » – visant à obtenir une dérogation pour mener des activités humanitaires dans le pays, en particulier pour transférer des fonds destinés à couvrir les dépenses de fonctionnement liées au projet. Je note également que la demande porte sur une période de dérogation plus longue afin de couvrir l'exécution du contrat et de toutes les procédures administratives y afférentes.

Je vous informe qu'après l'avoir dûment examinée, le Comité a décidé, en vertu du paragraphe 25 de la résolution 2397 (2017) du Conseil de sécurité, d'approuver la demande de dérogation présentée dans la lettre susmentionnée ainsi que l'extension, à titre exceptionnel, du délai prévu à cet effet, et d'autoriser les transferts de fonds, dans un délai de 12 mois, visés dans le tableau joint à la présente note.

Le Comité rappelle que les sanctions imposées à la République populaire démocratique de Corée par le Conseil dans ses résolutions n'ont pas pour objet de porter préjudice à la population civile, et que la note verbale qu'il a adressée aux États Membres et son communiqué de presse portant la cote SC/13113 en date du 8 décembre 2017 contiennent des précisions concernant l'aide humanitaire à la République populaire démocratique de Corée. Il est également rappelé dans la note que chaque État Membre doit appliquer pleinement les mesures imposées par le Conseil, en gardant à l'esprit la nécessité d'expliquer clairement aux entités publiques et privées relevant de sa juridiction que l'application des sanctions ne doit pas indûment entraver l'aide humanitaire.

Le Comité autorise et encourage Agriconsulting SA (AESAs) Italy à mener les opérations commerciales et financières strictement nécessaires à l'achat des biens et services faisant l'objet de la dérogation et dont la liste est jointe, sans préjudice des décisions commerciales qui seront prises à cet égard.

Son Excellence
Monsieur Maurizio Massari
Représentant permanent de l'Italie
auprès de l'Organisation des Nations Unies
New York

Dans le même temps, le Comité demande aux organisations qui fournissent une aide humanitaire en République populaire démocratique de Corée de respecter la durée de la dérogation qui leur est accordée et de se conformer pleinement aux lois, réglementations et autorisations nationales qui régissent les opérations financières et commerciales, le transport de marchandises et les activités de dédouanement sur le territoire des États Membres concernés.

Je vous informe que la présente lettre et son annexe seront publiées sur le site du Comité 1718 et mises à la disposition du public, notamment des autorités nationales qui participent au contrôle des transferts vers la République populaire démocratique de Corée faisant l'objet d'une dérogation, et ce, pour une durée de 12 mois.

Le Comité tient à remercier l'Italie de sa diligence.

Veillez agréer, Monsieur l'Ambassadeur, les assurances de ma très haute considération.

La Présidente du Comité du Conseil de sécurité
créé par la résolution 1718 (2006)

(Signé) Pascale Baeriswyl

Pièce jointe :

– Liste des transferts de fonds destinés à la République populaire démocratique de Corée.

1718 Committee Exemption Request

Annex I: Project Outline - Additional Explanation Note on

“Contract FOOD/2018/404-599 & FOOD/2021/428-616- Food Security Office in the DPR of Korea” European Union funded Project

REQUEST TO THE UN SECURITY COUNCIL COMMITTEE ESTABLISHED PURSUANT TO RESOLUTION 1718 (2006) FOR EXEMPTIONS TO DELIVER HUMANITARIAN ASSISTANCE TO THE DEMOCRATIC PEOPLE’S REPUBLIC OF KOREA

The Italian Government through its Permanent Mission of Italy to the United Nations is contacting the UN Security Council Committee established pursuant to resolution 1718 (2006) to submit a 1718 Committee exemption request on behalf of Agriconsulting Europe. In particular we refer to paragraph 25 of resolution 2397 (2017) reaffirming that the measures imposed by resolutions 1718 (2006), 1874 (2009), 2087 (2013), 2094 (2013), 2270 (2016), 2321 (2016), 2356 (2017), 2371 (2017), 2375 (2017) and 2397 (2017) are not intended to have adverse humanitarian consequences for the civilian population of the DPRK or to affect negatively or restrict those activities, including economic activities and cooperation, food aid and humanitarian assistance, that are not prohibited by resolutions 1718 (2006), 1874 (2009), 2087 (2013), 2094 (2013), 2270 (2016), 2321 (2016), 2356 (2017), 2371 (2017), 2375 (2017) and 2397 (2017), and the work of international and non-governmental organizations carrying out assistance and relief activities in the DPRK for the benefit of the civilian population of the DPRK.

Agriconsulting Europe (AESA) is a Belgian firm located in Brussels at Avenue de Tervueren 36 and has a branch office in Rome, Italy at Via Vitorchiano 123. The firm provides professional services in international development and its main clients are the European Commission, World Bank and Asian Development Bank. Its main fields of operation are natural resource management, rural development, social development and climate change.

On February 4, 2019, AESA signed a contract with the European Commission - Directorate General for International Cooperation and Development (DEVCO now INTPA) entitled “**FOOD/2018/404-599 - Food Security Office in the DPR of Korea**”. The contract regards the implementation of a humanitarian programme and AESA provided technical assistance services to the project starting from March 1, 2019. Given the low implementation rate of the project because of the COVID-19 pandemic, an addendum was signed on 28 February, 2022 to extend the project up to end of February 2023 and for the same reason a new contract n° FOOD/2021/428-616 was signed to further extend the project until end of February 2026. AESA is asking a new exemption from the UN sanctions up to end of February 2026 in order to be able to implement the contract and to pay the expenses incurred on the project up to now and until February 2026.

1 – Nature of Humanitarian assistance proposed to be provided to the DPRK for the benefit of the civilian population of the DPRK

The **European Union Food Security Office (FSO)** is one of the few cooperation offices active in DPRK. The FSO mission is to support EU INTPA’s multi-annual programmes in order to provide assistance to DPRK and implement measures at central and local level for:

- Providing food and nutrition security;
- Developing sustainable agriculture to fight hunger and under-nutrition.

AESA’s contract with the EC is intended to assist the FSO and help planning and implementing **INTPA’s strategies** for supporting the poor and most vulnerable groups, developing innovative and sustainable solutions to address food and nutrition insecurity and responding to recurrent crisis.

In particular the project will:

- Contribute to stabilising food production and availability;
- Improving access to food;
- Enhancing people's nutritional status by further building and strengthening the resilience of cooperative farms, communities and households, the diversification of production, the balanced diet, and the promotion of behavioural change in nutrition.

As stated in the UN Crop and Food Security Mission (CFSAM), 2013, DPRK remain highly vulnerable to erratic food production and to acute malnutrition. It is estimated that 41% of the population suffers from malnutrition. Cooperative farms produce agricultural products and a specific share are transferred to the Ministry of Food Distribution for further distribution into the PDS (Public Distribution Services) to urban regions and other zones that have less production. The farms are now allowed to keep and market their surpluses above these state allocations. Income generation and alternative employment possibilities have become increasingly important for most rural communities and their populations. The EU's current mandate for intervention in the DPRK is limited to the provision of humanitarian and technical assistance in the field of food security, health and water sanitation.

2 – Explanation of the DPRK recipients and criteria employed to select beneficiaries

In line with the mandate given by the Council of the European Union, the European Commission is providing assistance to the Democratic People's Republic of Korea in the field of Humanitarian Aid, Development and Cooperation. **The Korea – Europe Cooperation Coordination Agency (KECCA)** of the Ministry of Foreign Affairs, Pyongyang, DPR Korea facilitates and coordinates the implementation of EU aid to the country. KECCA conducts this mandate for **“Contract FOOD/2018/404-599 & FOOD/2021/428-616- Food Security Office in the DPR of Korea” - European Union funded Project**. The Food Security Office project is managed by Agriconsulting Europe SA (AESA).

The Technical Assistance provided by AESA support the FSO in implementing its main tasks:

- Provide technical support as well as advice in relation to the programming and implementation of EC assistance to the DPRK.
- Act as an information and advisory centre for the concerned DPRK services; mostly those in charge of food security-related matters; whether at technical or policy level.
- Act as a focal point for the implementation of EC-funded Food Security and Civil Society Organisations initiatives in the country.
- Participate to the capacity building of Korean technical institutions' staff -and to a lesser extent FSO and KECCA staff- by organising short trainings and study tours abroad.
- Provide DG INTPA services with accurate, timely and updated information on the evolution of the DPRK state of affairs in terms of policy inputs and specific information on the political, agricultural and socio-economic country context.

A range of key stakeholders will participate in/benefit from this project while some will be partners to interact with. The main stakeholders of the project are listed in the next table.

Key stakeholders	Comments
DG DEVCO/F2's. European Commission	Responsible Body. Cooperation Officer for the DPRK represented by a Project Manager will be a direct interlocutor of the AESA TA team running the FSO.
Grant beneficiaries	The current EUPS Units and grant beneficiaries who will be selected during the future calls for proposal work/will work with the FSO and the TA Team.
UN and other Donors and International Organisations	The FSO will maintain regular interactions and coordination with other donors, notably in relation with dialogue, exchange of data, surveys, etc. In particular in order to operate in coordination with the UN the FSO will be part of the DPRK-based and UN-led weekly Inter Agency Meetings and ad hoc Sector Working Groups.
Ministry of Foreign Affairs Korea-Europe Cooperation Coordination Agency	Mandated to facilitate and coordinate the implementation of EU aid. KECCA liaison officer at the FSO: main contact point between the FSO and the KECCA on day-to-day.
Other DPRK institutions	
Ministry of Agriculture	One of the most important ministries and employer, in charge of production of food staples. Mandate also covers inland fisheries on cooperative ponds.
Ministry of Fisheries	Responsible for the marine sector.
Ministry of Land and Environment Protection	Responsible for managing sloping lands together with the Forest Management Research Institute and Sloping Land Users' Groups. No official mandate in food production, but in forest development and management and linked environmental issues.
Ministry of Food Procurement and Administration	Administers the PDS and determines ration sizes of commodities including cereals (rice, maize, wheat, barley, or their equivalent in potatoes), cooking oil and pulses. This is determined on the basis of food production estimates and planned imports.

Key stakeholders	Comments
Ministry of Food Processing and Daily Necessities	Oversees all aspects of food processing to ensure that other type of foods in addition to the PDS distributed cereals are available at county and district levels.
Central Bureau of Statistics Ministry of Health Education Commission Ministry of City Management Institute of Child Nutrition	With the support of UNICEF, collaborate on the 2017 DPRK MICS with other relevant line ministries and humanitarian partners.
Academy of Agricultural Sciences	Important partners for the Food Security Sector.
Forest Management Research Institute	Important partners for the Food Security Sector.

3 – Reasons for requiring a Committee exemption

AESA is requiring a new exemption (Ref. of previous exemption S/AC.49/2019/OC.167, July 1st, 2019 and S/AC.49/2022/OC.98, October 27th, 2022) in order to be able to perform activities in DPRK as detailed in the Contract and subsequent addenda signed with the EU INTPA. The contract is managed mainly from AESA's branch office in Italy with administrative support from the office in Belgium and AESA must operate following the restrictive measures imposed by the UN and EU sanctions. In practice AESA must be able to guarantee that it can make available enough funds to Pyongyang to pay for the operational costs of the FSO. All the activities of the FSO are for humanitarian and development activities. After the Committee resolution (Ref. S/AC.49/2019/OC.167, July 1st, 2019) AESA received from the Italian Competent Authority the authorization to work in DPRK and to transfer the necessary funds.

Because the contract signed with the European Commission has been extended up to end of February 2026 and AESA will have to pay all the costs incurred during that period. The total amount will not be higher than the already approved Euro 1,060,000 (the updated estimation is for a maximum amount of Euro 685,015) but the money will be paid only after the DPRK borders will be open again or as soon as an alternate approved money transfer has been identified.

Article 8.1 of the EU Regulation UE 1509/2017 foresees the exemption for export to DPRK of goods and technologies, and also **the provision of assistance and brokerage services in the fields of foods, agriculture, health and for other humanitarian objectives**. Article 8.2 specifies however, that member States can authorize these transactions only with prior approval from the UN Sanctions Committee on DPRK. Without the Committee Exemption AESA will not be able to mobilize the necessary funds for the extended period of the FSO contract.

4 – Detailed Description and relevant specification of services to be provided by AESA, planned dates of proposed transfers within the next 6 months, parties involved, financial transactions and itemized list of Technical Assistance provided

The services to be provided by AESA regard: (i) mobilizing and managing international and national experts who will work for the **Food Security Office (FSO)** in Pyongyang, and; (ii) managing the running costs and activities of the said office.

In the next months the AESA team of experts will work from home for a limited number of working days, attending online meetings with other international stakeholders previously working in the DPRK to monitor the local situation. The FSO has been closed, vehicles parked, and all furniture stored in a smaller space. AESA will continue accruing limited local costs, and the following table shows the estimated amount (accrued costs and forecast up to February 2026) to be paid in DPRK as soon as it will be possible.

The total amount is less than the already approved budget in 2019 but the implementation period has been extended.

Table: Summary of the AESA Activities on the Contract FOOD/2018/404-599 & FOOD/2021/428-616

ITEM	Paid in DPRK (EURO)	Costs accrued in DPRK (EURO)	Costs accrued in DPRK (EURO)	Costs accrued in DPRK (EURO)	TOTAL Costs accrued in DPRK (EURO)	Estimated costs in DPRK (EURO)	To Whom
	Mar 2019 - Feb 2022	Jan 2020 - Feb 2022	Mar 2022 - Feb 2023	Mar 2023 - Sept 2024	Jan 2020 - Sept 2026	Oct 2024 - Feb 2026	
	36 months	26 months	12 months	19 months	57 months	5+12 months	
A. Costs for Personnel (based in DPRK)							
Key Expert 1 Team Leader	8,632	4,500	0	0	4,500	0	Expatriate Expert for out of pocket expenses and to General Service Bureau (GSB) for apartment rent
Key Expert 2 Team Member	4,349	900	0	0	900	0	Expatriate Expert for out of pocket expenses and to General Service Bureau (GSB) for apartment rent
International and National Short-Term Experts	1,485	0	0	0	0	0	Expatriate Expert for living allowance and local experts for fee
International Administrative Staff	41,690	0	0	0	0	0	Expatriate Expert for out of pocket expenses and salary
National Support Staff	59,811	75,500	16,160	0	91,660	39,000	Individual staff Salaries (If we consider borders' opening in 2025)
AESA Backstopping and Support Staff	0	0	0	0	0	0	Individual staff for living allowance
B. Purchase and Running Costs							
Office running cost and rent	58,594	122,000	23,381	8,379	153,760	75,528	GSB (General Service Bureau) for rent and utilities and purchases made in different shops

ITEM	Paid in DPRK (EURO)	Costs accrued in DPRK (EURO)	Costs accrued in DPRK (EURO)	Costs accrued in DPRK (EURO)	TOTAL Costs accrued in DPRK (EURO)	Estimated costs in DPRK (EURO)	To Whom
	Mar 2019 - Feb 2022	Jan 2020 - Feb 2022	Mar 2022 - Feb 2023	Mar 2023 - Sept 2024	Jan 2020 - Sept 2026	Oct 2024 - Feb 2026	
	36 months	26 months	12 months	19 months	57 months	5+12 months	
Purchase Vehicles (2)	0	0	0	0	0	0	Local (second hand vehicle) or imported
Vehicle Running costs and spare parts vehicles (fleet of 4)	34,003	15,500	3,433	912	19,845	25,000	Different fuels stations and imported from dealers for spare parts
Field visits for FSO Team	6,695	400	0	0	400	8,000	To be paid to experts for living allowance and for local transportation
Other project running cost (training, local travel, Workshops, visibility materials, badges etc.)	15,662	5,500	0	0	5,500	30,000	Mainly for purchase of stationary, training material, travel allowance to the training participants, fuel costs food, water refreshments etc. and paid to many different DPRK based supplier and training participants
subtotal		224,300	42,974	9,291			
TOTAL	230,922**				276,565***	177,528***	
TOTAL amount in DPRK Euro 685,015*							

(*) Expected expenses in DPRK only

(**) Euro already paid in DPRK

(***) Total Euro accrued and forecasted **still to be paid** in DPRK

5- Detailed Measures to ensure that assistance to be provided to the DPRK are used for the intended purposes and not diverted for prohibited purposes

A monitoring system to ensure the activities financed by the EU food security programme in DPRK are used only for the programme intended purpose has been put in place in the first months of the project. The project team working in DPRK carried out monitoring and field visits to programme sites to facilitate smooth implementation of activities and also to

ensure they benefit the target population. Also, the AESA Technical Assistance team **prepared the indicators that are used for monitoring during the implementation phase**. The process and controls performed by the TA are duly documented. Every six months, the TA also sum-up the lessons learnt from the programming process in order to improve the next cycle.

The technical monitoring of projects funded under the grant scheme of the EU are based on M&E Plans and set of tools that encompass:

- Monitoring database and monitoring indicators;
- Regular and ad-hoc contacts/discussions with the Grant Beneficiaries and other meetings;
- Review of reports submitted by the Grant beneficiaries;
- Monitoring Field Visits / On-site-visits;
- Monitoring reports with check-lists issued by the TA to FSO;
- Follow-up visits.

AESA also developed a specific internal project management structure in charge of following implementation of project activities. One project manager coordinates with an administrative assistant (in Rome and Brussels), both of them are in regular contact with the Key Expert 1 Team Leader, the key expert n°2 and the project assistant in Pyongyang. The backstopping team supervises all project procedures abide to the EU rules for technical assistance projects. Moreover every 6 months an external audit checks the project expenses and invoices. If any doubts arise by the auditors that the money used for the project was not for the intended scope of work of the project, they will inform DG INTPA.