

**Chair's statement**  
**1718 Committee Open briefing**  
**New York, 20 April 2021**

INTRODUCTION
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Excellencies, Distinguished Delegates, Ladies and gentlemen,

On behalf of the Security Council Committee established pursuant to resolution 1718 (2006), its Panel of Experts, and the Secretariat, it is my pleasure to welcome you to this virtual open briefing on Security Council sanctions regarding the Democratic People's Republic of Korea (DPRK).

At the outset, I hope colleagues and their families are staying well in these trying times. Unfortunately, due to the continuing unusual circumstances amid the COVID-19 pandemic we are unable to meet in person. However, thanks to the technological means that have enabled our alternate working modalities, I am glad to be able to meet all of you today via VTC.

Before we begin, I would like to share a few technical details in order to facilitate our discussion today. We are grateful that the Secretariat was able to secure interpretation for this meeting, and in order to maximize the benefits of the Interpretfy platform, I would like to request that those participants who plan to take the floor kindly use a headset with a built in microphone to ensure the highest sound quality for the interpreters. You will see on the list of participants on the screen three names of colleagues from the Secretariat and my team with the sign "host" next to them. If you request the floor by using the raise your hand button, the Secretariat and my team will convey the speakers list to me. When I call on you to speak, the hosts will grant you streaming rights, at which point you will be able to turn on your camera and microphone. Given that only a limited number of participants can have streaming rights at the same time, the hosts will manage the floor by allowing and disallowing the streaming rights to those that are given the floor. Should you encounter technical issues, please flag this in the chat and the hosts and the OICT colleagues are here to assist – and we are grateful for their support.

The 1718 sanctions regime remains the most comprehensive sanctions regime to date. We are aware that the regime asks a lot from Member States and can pose various implementation challenges. The Committee stands ready to assist in carrying out their obligations under the relevant Security Council resolutions and to offer guidance to Member States when requested. In this regard, I also wish to point you to the 1718 Committee website, in particular the webpage concerning Implementation Assistance Notices, where various provisions have been clarified in the form of guidelines to Member States.

With this briefing, we intend to inform Member States about the scope of the sanctions regime, the mandate and activities of the Committee, and the main findings and recommendations of the Panel of Expert's most recent (2021) final report.

As Chair of the 1718 Committee, I wish to touch upon three points in my opening remarks:

1. Member States' obligations to submit national implementation reports,
2. The need for effective implementation of the sanctions measures, and
3. The Committee's efforts in facilitating the work of humanitarian organizations in the DPRK, in particular through its humanitarian exemption mechanism.

The Coordinator of the Panel of Experts will subsequently elaborate in more detail on the main features of the DPRK sanctions regime, in particular on the basis of the Panel's findings and recommendations of its recently published final report. I would like to take this opportunity to express my great appreciation to the Panel of Experts for their work, which is crucial to the success of the Committee. Its reports continue to offer invaluable insights and I strongly advise all to read the report and to positively consider all the recommendations addressed to Member States. For your ease of reference, a compilation of the full list of recommendations contained in the Panel's 2021 final report is also included in Annex 100 of the report.

While the Coordinator will be presenting on behalf of the Panel, we do have most of the other experts with us today. I would like to thank the Coordinator and the other Panel members for their time and presence here today.

Following the Coordinator's presentation, I will open the floor for questions and answers, and encourage Member States to make full use of this opportunity to engage in an interactive discussion with the Panel of Experts, as well as myself as Chair and other members of the 1718 Committee, as necessary.

NATIONAL IMPLEMENTATION REPORTS
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Ladies and gentlemen,

You may recall that various resolutions require that Member States shall report within 90 days of their adoption on the concrete measures undertaken to effectively implement the sanctions measures. The reporting requirements cover a wide range of topics. In addition, resolution 2397 (2017) requires two types of implementation reports from Member States, on the implementation of the resolution as a whole, as well as on the obligation to repatriate DPRK nationals that are gaining income in another Member State.

A full list of these reporting requirements can be found on the website of the 1718 Sanctions Committee. On the webpage named 'implementation reports', you will find a table with all submission deadlines, as well as the email address where to send these reports. Should there be any doubt as to whether your Government has fulfilled all reporting obligations, you can consult the table which reflects all the reports received by Member States so far. Please also have a look

at Implementation Assistance Notice No. 2, which you also find on the website. There you will find an optional checklist template, which can be helpful in providing the required information.

While we continue to receive national implementation reports, even after the deadline, there continues to be a large number of Member States who have yet to submit their reports. Some Member States have not submitted any reports to date. I would therefore like to remind Member States that reporting on the incorporation of sanctions into domestic legislation is an obligation under the Security Council resolutions, and call on Member States who have not yet done so, to do so promptly. Implementation reports play an important role in helping the Committee and its Panel of Experts assist Member States to fully implement the resolutions.

Last year, 22 March, was the deadline of submission of the final report by Member States on steps taken to repatriate to the DPRK nationals earning income in their jurisdictions and subject to repatriation under paragraph 8 of resolution 2397 (2017). To date, we have received 66 reports only, which are published on the Committee website. I thank Member States who have already submitted their final reports. I strongly encourage those who have not yet done so to fulfill their obligations and submit any outstanding national implementation report as soon as possible. Once again, I encourage all Member States to visit the website of the 1718 Committee, where all relevant information on the preparation and submission of implementation reports can be found, on the webpage named ‘implementation reports’.

In this context, I would also like to highlight the recommendation of the Panel of Experts in their most recent report, namely for Member States to submit their implementation reports in full conformity with resolutions 2371 (2017), 2375 (2017) and 2397 (2017).

Finally, my team, as well as the Panel of Experts, stand ready to assist Member States with the preparation and submission of such reports. Please do reach out to us with any questions.

EFFECTIVE IMPLEMENTATION
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Ladies and gentlemen,

On effective implementation, I would like to stress that it is of utmost importance that the resolutions are fully implemented in order to ensure that the Security Council’s measures are effective. To ensure full compliance, all Member States are urged to cooperate fully with the Committee and the Panel, and to supply, on a confidential basis if necessary, any information at their disposal on the implementation of the sanctions, including on any sanctions violation.

I wish to stress that the ultimate goal of the sanctions is to facilitate the achievement of a peaceful and comprehensive solution through dialogue. In this perspective, the resolutions reaffirm the Council’s support to the Six Party Talks and calling for their resumption. They also reiterate the goal of the complete, verifiable and irreversible denuclearization of the Korean Peninsula in a peaceful manner and the return of the DPRK to the Non-proliferation Treaty (NPT) and International Atomic Energy Agency safeguards.

In order to foster a better understanding of the DPRK sanctions regime, the 1718 Committee also continues to provide advice and guidance to Member States, international

organizations and NGOs on how to proceed when implementing sanctions. Requests for guidance can be submitted to the Committee Chair and the Secretariat, after which it will be brought to the attention of the Committee.

Finally, it is my intention to convene further dedicated outreach meetings later this year, provided that circumstances allow, on important thematic and regional topics and Member States' capacity challenges. The purpose of these meetings is to identify and prioritize areas that would benefit from technical and capacity-building assistance to enable more effective implementation by Member States, in accordance with paragraph 44 of resolution 2321 (2016).

I also wish to remind you of various bilateral capacity-building mechanisms and technical assistance programs to assist Member States. Norway, as well as some of the other members of the Committee, may be able to provide the necessary guidance to interested Member States in this regard. I wish to invite those Member States with bilateral capacity building and technical assistance programs to take the floor during the Q&A session to offer more information on these programs.

## HUMANITARIAN EXEMPTION MECHANISM

Ladies and gentlemen,

I wish to emphasize that when sanctions were imposed, the Security Council reaffirmed that the measures are not intended to have adverse humanitarian consequences for the civilian population of the DPRK. To this end, the Security Council decided that the 1718 Committee may, on a case-by-case basis, grant exemptions on the basis of humanitarian grounds. Over the years, this has become one of the key areas of the work of the Committee.

Since 2018 and as of today, the Committee has approved the vast majority of requests for humanitarian exemptions, a total of 77 exemptions, and approved numerous extensions and adjustments to existing exemptions, in accordance with paragraph 25 of Security Council resolution 2397 (2017).

As you may be aware, the Committee has streamlined the process for obtaining humanitarian exemptions to facilitate the work of humanitarian actors and the delivery of aid to the DPRK. The Committee has furthermore made adjustments to its internal procedures to allow for the expeditious delivery of life-saving humanitarian assistance to benefit the vulnerable population of the DPRK, depending on the urgency of the exemption request.

In this connection, I would like to remind Member States of the comprehensive guidance issued by the Committee under Implementation Assistance Notice No. 7 (IAN No. 7), which provides additional information on the mechanism to obtain humanitarian exemptions, the recommended format of exemption requests, information on routing to the 1718 Committee, and the approval process.

Member States may also be aware that the Committee updated its guidance for obtaining humanitarian exemptions in November last year. Through these updates to IAN No. 7, the Committee seeks to further simplify several areas of the application process for humanitarian

exemptions requests. These updates include, inter alia, extending the standard duration for exemptions from six to nine months, allowing for greater flexibility in the shipment consolidation process, providing additional guidance on the requirements and format through which humanitarian exemption requests can be submitted to the Committee for approval, including two optional application templates published on the website, and the introduction of a best practices process for applicants of humanitarian exemption requests. In addition, the Committee extended its practice of expedited approval procedures to include extension and amendment requests, as well as urgent requests for onset emergencies such as pandemic outbreaks and natural disasters.

In view of the ongoing COVID-19 pandemic, the Committee continues to work under an accelerated exemption process for COVID-19 related humanitarian assistance. It continues to use an expedited decision-making procedure of two working days to approve exemptions from organizations that are aimed at mitigating the risk of the spread of the COVID-19 outbreak in the DPRK and to enable effective prevention and response measures to the virus. Since the outbreak, the Committee approved 9 COVID-related exemption requests under the expedited procedure.

Given the continued worldwide challenges related to the manufacturing, procurement, and shipment of goods as a result of the ongoing pandemic, the Committee has approved, on an exceptional basis, a number of requests for longer exemption timeframes of up to one year to allow for the import of such items.

Finally, as mentioned earlier, all our guidance documents, including IAN No. 7, can be found on the website of the 1718 Committee in the six official UN languages.

CONCLUSION
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Ladies and gentlemen,

On behalf of the 1718 Committee, I thank you for your kind attention.

I now give the floor to the Coordinator of the Panel of Experts.

Following his presentation, I plan to open up the floor for you to pose any questions that you may have regarding the DPRK sanctions regime and the implementation of Member State obligations, as well as the work of the 1718 Committee and the Panel of Experts.

The floor is yours, Mr. Coordinator.

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# **The UN DPRK sanctions regime and the Panel's 2021 Final Report**

**S/2021/211**

Coordinator, DPRK Panel of Experts  
Open Briefing, 1718 Committee  
United Nations, New York, 20 April 2021





# Panel of Experts

## Mandate

- **Assistance to the Committee:** assist the 1718 Committee in carrying out its mandate and functions
- **Investigations:** gather, examine and analyze information from States, relevant UN bodies and other interested parties, in particular on incidents of non-compliance
- **Recommendations:** make recommendations on actions the Council, Committee or Member States may consider to improve implementation; and
- **Reporting:** provide mid-term and final reports.



# The DPRK sanctions regime

## Implementation Assistance Notices and Fact Sheet on the measures imposed by the relevant Security Council resolutions

<https://www.un.org/securitycouncil/sanctions/1718/implementation-notice>

<a href="#">Implementation Assistance Notice No. 1</a>	15 November 2017	Information to assist UN Member States in carrying out their obligations under Security Council resolutions 1718 (2006), 1874 (2009), 2087 (2013), 2094(2013), 2270 (2016), 2321 (2016), 2356 (2017), 2371 (2017) and 2375 (2017)
<a href="#">Implementation Assistance Notice No. 2</a>	24 April 2018	Guidelines on the Preparation and Submission of National Implementation Reports
<a href="#">Implementation Assistance Notice No. 3</a>	20 January 2017	Guidelines for the implementation of measures regarding "Luxury Goods"
<a href="#">Implementation Assistance Notice No. 4</a>	28 June 2017	Implementation of paragraphs 8 and 27 of resolution 2270 (2016)
<a href="#">Implementation Assistance Notice No. 5</a>	28 July 2014	The M/V Chong Chon Gang Incident
<a href="#">Implementation Assistance Notice No. 6</a>	15 November 2017	Diplomatic Missions in the Democratic People's Republic of Korea
<a href="#">Implementation Assistance Notice No. 7</a>	30 November 2020	Guidelines for Obtaining Exemptions to Deliver Humanitarian Assistance to the Democratic People's Republic of Korea
<a href="#">Fact Sheet on measures imposed by relevant Security Council resolutions</a>	17 April 2018	Compilation of measures imposed by the Security Council with respect to the DPRK in resolutions 1718 (2006), 1874 (2009), 2087 (2013), 2094 (2013), 2270 (2016), 2321 (2016), 2356 (2017), 2371 (2017), 2375 (2017) and 2397 (2017). The measures are grouped thematically in order to assist States in their implementation.





## The DPRK sanctions regime

**In summary, among other requirements and subject to provisos and qualifications, Member States are required to:**

- Prevent the transfer to / from the DPRK of embargoed items, and prohibited commodities.
- Prevent the provision to the DPRK of financial transactions, technical training, advice, services and assistance related to arms, the DPRK's nuclear, ballistic missile or other WMD programmes or the evasion of sanctions.
- Prevent specialized teaching or training of DPRK nationals which could contribute to the DPRK's prohibited programmes or activities.
- Suspend scientific and technical cooperation involving persons or groups officially sponsored by the DPRK, unless relevant exemptions apply.
- Prohibit the transfer of any item to / from / facilitated by a designated entity or individual.
- Freeze the financial assets and economic resources of designated entities and individuals.



## The DPRK sanctions regime

- Prevent the entry or transit of designated individuals, government representatives and its armed forces, among others, associated with the DPRK's nuclear or ballistic missiles programmes.
- Expel DPRK diplomats, government representatives, among others, assisting in sanctions evasion or violation of the resolutions, or working for DPRK financial institutions.
- Impose restrictions on DPRK diplomats and missions, including limiting staff, bank accounts and preventing misuse of diplomatic property.
- Prevent the provision of financial services, or the transfer of any other assets (including gold and bulk cash) through Member States' territories that could contribute to the DPRK's prohibited activities.
- Prohibit DPRK bank branches, subsidiaries and representative offices in their territories.
- Prohibit their financial institutions' representative offices etc. in the DPRK.
- Prohibit joint ventures or cooperative entities with DPRK.



## The DPRK sanctions regime

- Inspect in their territory cargo to / from the DPRK.
- Under certain conditions and with certain exceptions, inspect vessels on the high seas based on reasonable grounds that the cargo contains prohibited items.
- Prohibit the provision of bunkering services to such DPRK vessels. Prohibit the leasing or chartering of vessels or aircraft or providing crew services.
- Prohibit the registration of vessels in the DPRK and the provision of insurance or re-insurance services to DPRK controlled vessels. Deregister, and not re-register, any such vessels.
- Prohibit port entry of designated vessels and any vessel controlled by a designated individual or entity, or which contains prohibited items.
- Prohibit ship-to-ship transfers with DPRK-flagged vessels.
- Under certain conditions, seize and dispose of prohibited items, and inspect and freeze vessels.
- Deny permission for take-off, landing or overflight of any aircraft based on reasonable grounds the aircraft contains prohibited items.
- Not provide work authorizations for DPRK nationals. Repatriate all DPRK nationals earning income and all DPRK government safety oversight attachés monitoring DPRK workers abroad immediately but no later than 24 months from 22 December 2017.



# Panel of Experts

## Investigations

Investigations are the primary focus of the Panel, material from which are published in the Panel's reports to the Security Council

### Reports

<a href="#">S/2021/211</a>	4 March 2021	Final report of the Panel of Experts submitted pursuant to resolution 2515 (2020)
<a href="#">S/2020/840</a> <a href="#">S/2020/840/Corr.1</a>	28 August 2020	Midterm report of the Panel of Experts submitted pursuant to resolution 2515 (2020)
<a href="#">S/2020/151</a> 	2 March 2020	Final report of the Panel of Experts submitted pursuant to resolution 2464 (2019)
<a href="#">S/2019/691</a> 	30 August 2019	Midterm report of the Panel of Experts submitted pursuant to resolution 2464 (2019)
<a href="#">S/2019/171</a>  <a href="#">S/2019/171/Corr.1</a> 	5 March 2019	Final report of the Panel of Experts submitted pursuant to resolution 2407 (2018)
<a href="#">S/2018/171</a>  <a href="#">S/2018/171/Corr.1</a> 	5 March 2018	Final report of the Panel of Experts submitted pursuant to resolution 2345 (2017)



## 2021 Final Report Overview

### DPRK Nuclear and Ballistic Missile Programmes

- The DPRK maintained its nuclear programme, including production of highly enriched uranium, construction of a light water reactor and maintenance of nuclear facilities. No signs of operation of the 5MW(e) reactor.
- Announced development of tactical nuclear weapons.
- Displayed new liquid-fueled ICBM and TEL, and new MRBM / SLBMs, SRBMs with solid-fuel systems replacing liquid. No reported nuclear tests or missile launches.
- Ballistic missile infrastructure development.
- DPRK continued to seek material and technology for these programmes from overseas.



## 2021 Final Report Overview

### **Maritime: Imports of refined petroleum products; exports of commodities; sale of vessels and fishing rights**

- Large-scale illicit imports of refined petroleum products through ship-to-ship transfers with DPRK vessels and direct deliveries.
- Member State estimate that annual aggregate 500,000 cap exceeded by several times.
- Large-scale illicit DPRK exports of coal and other commodities. Other illicit imports.
- Comprehensive evasion techniques by vessels and owners, including vessel identity swaps.
- DPRK sale of fishing rights and acquisition of vessels.



## 2021 Final Report Overview

### Embargos, designated entities etc.

- Trade statistics and recorded trade indicating violation of sanctions.
- Arms embargo.
- Cash and gold smuggling.
- Luxury goods.
- Textiles and artworks.
- DPRK nationals earning income overseas.
- Designated entities: MOP, KOMID, RGB, MID etc..
- IT freelance platforms. E-commerce.
- DPRK embassy property, commercial use.



## 2021 Final Report Overview

### Financial violations; cyber activities

- Continued access to international banking channels through its own bank representatives, JVs, shell companies and use of offshore and virtual assets.
- Cyber attacks to obtain virtual assets in evasion of financial sanctions; use of over-the-counter brokers.
- Overseas revenue generation in sub-Saharan Africa (Mansudae Overseas Project Group; Korea Paekho Trading Corporation).
- Cyber attacks against overseas defense companies; also against the Panel of Experts.





## 2021 Final Report Overview

### Unintended consequences of sanctions

- The Panel is unable to make a quantitative assessment of the unintended consequences of UN sanctions but notes that in the reporting period sanctions likely have had unintended effects affecting civilian population. Records views of Member States.
- Panel survey of the views of international and non-government organisations on the effects of COVID-19 and sanctions on aid operations.
- Banking channel; IAN-7.



## 2021 Final Report Overview

### Support from the Committee and Member States: Leads and requests to investigate

- The Panel welcomes briefings, information and evidence on all issues relevant to its mandate at (almost) any time.
- Requests awareness of Panel schedule mandated by the Security Council.
- Panel investigations: ‘Requests for Information’ are exactly that. The Panel hopes for timely written replies where possible, and welcomes notification if a reply may be delayed.
- The Panel asks for documentation to support investigations under its mandate.
- Panel actions, on receipt of information and evidence.



# 2021 Final Report Overview

## Recommendations

- Recommendations for the Security Council, the Committee, Member States.
- Nuclear and ballistic missiles, maritime and sectoral, embargos, luxury goods, overseas workers, finance, unintended impact of sanctions, national implementation reports.
- Recommendations for designation, for full compliance, for continued vigilance.



## The Panel

### View the Panel as a resource

- The Panel is here to help Member States with their questions
- The Panel engages in dialogue with cooperative Member States
- The Panel also investigates and reports
  - The Panel's final report is available here:  
<https://undocs.org/S/2021/211>



**For more information:**

**<https://www.un.org/securitycouncil/sanctions/1718>**

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