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North Korea: Legislative Basis for U.S. Economic Sanctions

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Summary

U.S. economic sanctions imposed on North Korea are instigated by that country's activities related to weapons proliferation, especially its tests since 2006 of nuclear weapons and missile technology; regional disruptions; terrorism; narcotics trafficking; undemocratic governance; and illicit activities in international markets, including money laundering, counterfeiting of goods and currency, and bulk cash smuggling. The sanctions have the following consequences for U.S.-North Korea relations:

- **Trade is limited** to food, medicine, and other humanitarian-related goods, all of which require a license. Imports from North Korea are prohibited as of June 2011; exports to North Korea of most U.S.-origin goods, services, or technology are prohibited as of March 2016. Trade in luxury goods is banned. The Department of Commerce denies export licenses for reasons of nuclear proliferation, missile technology, U.N. Security Council requirements, and international terrorism.
- **Arms sales and arms transfers** are fully denied.
- **Financial transactions are prohibited**. U.S. persons are prohibited from providing financial services for the purpose of evading sanctions, or from providing financial services to a person or entity designated for sanctions. The President, in September 2017, authorized the Secretary of the Treasury to designate for sanctions any foreign financial institution that conducts or facilitates "any significant transaction on behalf of any [designated] person," or "in connection with trade with North Korea."
- **North Korea is designated as a jurisdiction of primary money laundering concern** by the Department of the Treasury's Financial Crimes Enforcement Network (FinCEN), effective December 9, 2016.
- **U.S. new investment is prohibited**, and investment in North Korea's transportation, mining, energy, or financial sectors is prohibited. North Korea is also ineligible to participate in any U.S. government program that makes credit, credit guarantees, or investment guarantees available.
- **U.S. foreign aid is minimal** and mostly limited to refugees fleeing North Korea; broadcasting into the country; nongovernmental organization programs dedicated to democracy promotion, human rights, and governance; and emergency food aid. In past years, aid related to disabling and dismantling the country's nuclear weapons program has been made available. By law, U.S. representatives in the international financial institutions (IFI) are required to vote against any support for North Korea due to its nuclear weapons ambitions and international terrorism. Human rights and environmental activities would also likely result in U.S. objections to North Korea's participation in the IFI.
- **U.S.-based assets are blocked** for North Korean individuals, entities, and vessels designated by the Department of the Treasury's Office of Foreign Assets Control (OFAC). U.S. persons are prohibited from entering into trade and transaction with these designees and, most recently, foreign financial institutions could become subject to U.S. sanctions for facilitating transactions for designated persons.
- **Kim Jong-un, the Korean Workers' Party, and others**—banks, shipping companies, seagoing vessels, state agencies, and other individuals affiliated with

the state's security regime—are identified as being among those engaged in illicit and punishable activities, possibly including nuclear or ballistic missile programs, undermining cybersecurity, censorship, and sanctions evasion. As a result, effective March 15, 2016, any of their assets under U.S. jurisdiction are frozen, and U.S. persons and entities are prohibited from entering into trade and transactions with the designees.

- **U.S. travel requires a special validation passport** issued by the State Department. Such passports are reserved only for travel in the U.S. national interest and are intended for professional reporters, officials with the American Red Cross or International Committee of the Red Cross, or those who have a "compelling humanitarian" justification.

From the outbreak of the Korean War in 1950, the United States had imposed fairly comprehensive economic, diplomatic, and political restrictions on North Korea. In 1999, however, President Clinton announced the United States would lift many restrictions on U.S. exports to and imports from North Korea in areas other than those controlled for national security concerns; the Departments of Commerce, Treasury, and Transportation issued new regulations a year later that implemented the new policy. On June 26, 2008, President George W. Bush delisted North Korea as a state sponsor of international terrorism, and removed restrictions based on authorities in the Trading With the Enemy Act and the terrorism designation, replacing them with more circumscribed economic restrictions related to proliferation concerns.

The U.S. sanctions are a result of requirements incorporated into U.S. law by Congress, decisions made in the executive branch to exercise discretionary authorities, and obligations placed on member states of the United Nations by the U.N. Security Council. Though the President, in accordance with the Constitution, leads the way in conducting foreign policy, Congress holds substantial power to shape foreign policy by authorizing and funding programs, advising on appointments, and specifically defining the terms of engagement in accordance with U.S. political and strategic interests. This report presents the legislative basis for U.S. sanctions policy toward North Korea. These sanctions are a critical tenet of the larger bilateral relationship, and this report highlights Congress's role and responsibility in determining the nature of U.S.-North Korea relations.

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Background

The United States imposes economic sanctions on North Korea for activities related to weapons proliferation, particularly its pursuit of nuclear weapons capability and a missile delivery system; regional disruptions; narcotics trafficking; undemocratic governance; and illicit activities in international markets, including money laundering, counterfeiting of goods and currency, and bulk cash smuggling. The entirety of North Korea is identified by the United States as a "jurisdiction of money laundering concern," which makes DPRK-origin or DPRK-related transactions to or through the U.S. financial system off limits. And the Government of North Korea is designated as a state sponsor of acts of international terrorism, which quashes most U.S. foreign aid, trade, investment, and support in international financial institutions.

United States law has been applied to North Korea in the following ways in response to the North Korean government's objectionable activities:[1]

- North Korea poses a threat to U.S. national security because of "the current existence and risk of the proliferation of weapons-usable fissile material on the Korean Peninsula," as declared by President George W. Bush on June 26, 2008, under the terms of the National Emergencies Act (NEA) and the International Emergency Economic Powers Act (IEEPA);[2]
- North Korea is cited by the United Nations Security Council[3] for its nuclear weapons and ballistic missiles pursuits, withdrawal from the Treaty on the Non-Proliferation of Nuclear Weapons, and contribution to regional tensions; the United States meets the requirements as a member state of the United Nations pursuant to the United Nations Participation Act of 1945 to implement sanctions adopted by the U.N. Security Council;
- North Korea committed an unprovoked attack that resulted in the sinking of a South Korean naval vessel, *Cheonan*; announced a new nuclear test and missile launches in 2009; and engaged in money laundering, counterfeiting of goods and currency, bulk cash smuggling, and narcotics trafficking, all in violation of U.N. Security Council Resolutions, leading President Barack Obama to expand the national emergency in 2010, 2011, 2015, and 2016. President Donald Trump, in 2017, cited the "provocative, destabilizing, and repressive actions and policies of the Government of North Korea"; its intercontinental ballistic missile launches;

[1] **Appendix A** lists U.S. statutory authorities used to form the economic sanctions regime.

[2] Executive Order 13466, "Continuing Certain Restrictions With Respect to North Korea and North Korean Nationals," 73 F.R. 36787, June 26, 2008; 31 C.F.R. Part 510, November 4, 2010. The same day, the President found that continuing the national emergency first proclaimed under authority of the Trading With the Enemy Act (Presidential Proclamation 2914; December 16, 1950; 15 F.R. 9029) was "no longer in the national interest of the United States." Presidential Proclamation 8271; June 26, 2008; 73 F.R. 36785.

The President is required to continue annually any national emergency he issues under the National Emergencies Act, or it expires, along with the sanctions established under the International Emergency Economic Powers Act (IEEPA). President Obama renewed the national emergency declared in Executive Order 13466 in memoranda issued on June 24, 2009 (74 F.R. 30457), and annually since then, most recently on June 21, 2017 (82 F.R. 28743).

[3] **Appendix B** compares U.N. Security Council resolutions with steps taken by the United States, in both legislation and executive orders. United Nations Security Council Resolution 1718 (2006), October 14, 2006; UNSC Resolution 1874 (2009), June 12, 2009; UNSC Resolution 2087 (2013), January 22, 2013; UNSC Resolution 2094 (2013), March 7, 2013; UNSC Resolution 2270 (2016), March 2, 2016; UNSC Resolution 2321 (2016), November 30, 2016; UNSC Resolution 2356 (2017), June 2, 2017; UNSC Resolution 2371 (2017), August 5, 2017; UNSC Resolution 2375 (2017), September 11, 2017; and UNSC Resolution 2397 (2017), December 22, 2017.

its nuclear tests; violation of Security Council resolutions; and human rights abuses to continue the national emergency and impose additional sanctions.[4]

- North Korea is a Marxist-Leninist state, with a Communist government, and stated as such in the Export-Import Bank Act of 1945, as amended, and further restricted under the Foreign Assistance Act of 1961;
- North Korea has engaged in proliferation of weapons of mass destruction, the State Department finds pursuant to the Arms Export Control Act; Export Administration Act of 1979; Iran, North Korea, and Syria Nonproliferation Act of 2000; and a national emergency declared by President George H. W. Bush relating to the proliferation of such weapons;
- North Korea is not cooperating fully with U.S. antiterrorism efforts, the State Department has determined, under terms of the Arms Export Control Act;
- North Korea has detonated a nuclear explosive device, President George W. Bush has determined,[5] pursuant to the Arms Export Control Act, the Atomic Energy Act, and the Export-Import Bank Act of 1945; and
- North Korea engaged in "provocative, destabilizing, and repressive actions and policies," including "destructive, coercive cyber-related actions during November and December 2014," actions in violation of a multitude of U.N. Security Council resolutions, and commission of serious human rights abuses.[6]

At the President's discretion, North Korea also could be subject to economic sanctions provided in three provisions of law addressing human rights conditions: the Foreign Assistance Act of 1961, the International Religious Freedom Act of 1998, and the Trafficking Victims Protection Act of 2000.

The United States' concerns about North Korea's pursuit of nuclear weapons capability emerged in the 1980s when that country's nuclear weapons program became apparent.[7] In the 1990s, the two countries negotiated and signed (in 1994) an Agreed Framework to freeze North Korea's plutonium-based nuclear energy program and provide heavy fuel oil until light-water reactors could be brought online, all funded to varying degrees by the European Union, Japan, South Korea, and the United States. Through the late 1990s, the United States and North Korea engaged in negotiations, initially to curtail missile tests and expanded to include differences on nuclear

[4] Executive Order 13551 of August 30, 2010, "Blocking Property of Certain Persons With Respect to North Korea," 75 F.R. 53837, September 1, 2010; Executive Order 13570 of April 18, 2011, "Prohibiting Certain Transactions With Respect to North Korea," 76 F.R. 22291, April 20, 2011; Executive Order 13687 of January 2, 2015, "Imposing Additional Sanctions With Respect to North Korea," 80 F.R. 819, January 6, 2015; Executive Order 13722 of March 15, 2016, "Blocking Property of the Government of North Korea and the Workers' Party of Korea, and Prohibiting Certain Transactions With Respect to North Korea," 81 F.R. 14943, March 18, 2016; and Executive Order 13810 of September 20, 2017, "Imposing Additional Sanctions With Respect to North Korea," 82 F.R. 44705. Both Presidents cited the United Nations Participation Act of 1945 (P.L. 79-264; 22 U.S.C. 287c) authorities in addition to those provided in NEA and IEEPA.

[5] On December 7, 2006, President Bush determined that North Korea, a non-nuclear-weapon state, had detonated a nuclear explosive device, citing Section 102(b) of the Arms Export Control Act and Section 129 of the Atomic Energy Act. Presidential Determination No. 2007-07. *Public Papers of the President*. December 18, 2006.

[6] Executive Order 13687 of January 2, 2015, "Imposing Additional Sanctions With Respect to North Korea, 80 F.R. 819, January 6, 2015. The Executive Order also draws on authorities granted the President in the Immigration and Nationality Act (8 U.S.C. 1182(f)) to deny entry into the United States of any person designated pursuant to IEEPA authorities. See Presidential Proclamation 8693 of July 24, 2011, "Suspension of Aliens Subject to United Nations Security Council Travel Bans and International Emergency Economic Powers Act Sanctions," 76 F.R. 44751.

[7] The Arms Control Association maintains a comprehensive *Chronology of U.S.-North Korean Nuclear and Missile Diplomacy,* available at https://www.armscontrol.org/factsheets/dprkchron.

weapons and international terrorism. In October 2002, it came to light in negotiations between U.S. and North Korean government officials that North Korea was pursuing a uranium-based nuclear weapons capability. Diplomacy over North Korea's nuclear weapons program then entered a new phase; the Agreed Framework was abandoned and the United States, North Korea, South Korea, China, Japan, and Russia convened a new forum—the Six Party Talks, which held its first negotiations in August 2003. Despite several steps forward, including the United States ending decades-long sanctions imposed at the outset of the 1950-1953 conflict and its delisting of North Korea as a supporter of international terrorism, the Six Party Talks collapsed in late 2008.

During this period and through 2017, North Korea has engaged in a number of acts that the international community deems provocative. It has tested short-, mid-, and long-range ballistic missiles since mid-2006, with varying degrees of success, abrogating a moratorium it complied with since 1998. In early 2009, North Korea began to test satellite launches, contrary to U.N. Security Council restrictions, and may have succeeded in placing a satellite in orbit in 2012. Most recently, it has tested missile launches from under the sea.

On October 9, 2006, May 25, 2009, February 12, 2013, January 6, 2016, September 9, 2016, and again on September 3, 2017, North Korea reported that it had detonated a nuclear explosive device. The international community responded to the missile tests and nuclear detonations by taking the issue to the U.N. Security Council, which adopted resolutions that condemned the weapons tests and called on member states to impose economic sanctions.

On March 26, 2010, a South Korean Navy ship, the *Cheonan*, was struck by a torpedo while sailing in the West Sea. The ship sank and 46 crew members were killed. The South Korean Ministry of National Defense formed a Civilian-Military Joint Investigation Group—with participants from five other nations including the United States—which found that the *Cheonan* was torpedoed by a North Korean submarine. North Korea denied involvement. The U.N. Security Council, in a presidential statement, condemned the attack, and acknowledged both the findings of the Investigation Group and the disavowal by North Korea.[8]

President Obama assigned responsibility to North Korea for the sinking of the *Cheonan* when, on August 30, 2010, he announced he was expanding the scope of the national emergency declared in 2008, and the United States was taking additional steps to curtail economic activity with North Korea:

> the continued actions and policies of the Government of North Korea, manifested most recently by its unprovoked attack that resulted in the sinking of the Republic of Korea Navy ship *Cheonan* and the deaths of 46 sailors in March 2010; its announced test of a nuclear device and its missile launches in 2009; its actions in violation of UNSCRs 1718 and 1874, including the procurement of luxury goods; and its illicit and deceptive activities in international markets through which it obtains financial and other support, including money laundering, the counterfeiting of goods and currency, bulk cash smuggling, and narcotics trafficking, destabilize the Korean peninsula and imperil U.S. Armed Forces, allies, and trading partners in the region, and thereby constitute an unusual and extraordinary threat to the national security, foreign policy, and economy of the United States.[9]

[8] Civilian-Military Joint Investigation Group, *On the Attack Against the ROK Ship Cheonan*, Ministry of National Defense, Republic of Korea, September 2010; U.N. Security Council, Presidential Statement (U.N. document, S/PRST/2010/13, July 9, 2010).

[9] Executive Order 13551, "Blocking Property of Certain Persons With Respect to North Korea," 75 F.R. 53837, September 1, 2010.

President Obama's explicit identification of all features of North Korea's objectionable behavior constituting the threat is unusual compared to other invocations of his IEEPA authorities.[10] The statute requires only that the President find that a threat to U.S. national security, foreign policy, or economy exists, and that its source is "in whole or substantial part outside the United States." The President identified North Korea's attack of the *Cheonan* and other acts of regional destabilization, pursuit of weapons of mass destruction and the means to deliver them, noncompliance with U.N. requirements, money laundering, counterfeiting, smuggling, and narcotics trafficking as compounding the threat. To this list, the President added, in January 2015, "cyber-related actions ... and commission of serious human rights abuses," the latter a nod to ground-breaking efforts in December 2014 in the United Nations General Assembly to refer reports of human rights atrocities in North Korea's prison system to both the U.N. Security Council and the International Criminal Court. Justifying the declaration of the emergency based on these wide-ranging activities accomplishes a number of goals:

- It confirms the United States' full support of and participation in implementation of the U.N. Security Council resolutions.
- It provides a clear list of concerns members of the U.S. diplomatic corps might raise and emphasize when speaking with North Korea's trading partners and benefactors.
- It states indisputable goals for North Korea to strive toward, meet, and surpass.

It should be noted, however, that each of these forms of objectionable behavior likely would be grounds, under current law, for restricting trade, aid, arms sales, and access to assets even if the national emergency were to be revoked.

U.S. Economic Sanctions Currently in Place

United States economic sanctions imposed on North Korea, as a result both of requirements in U.S. law and decisions made in the executive branch to exercise discretionary authorities, have the following impact:

- **Trade is limited** to food, medicine, and other humanitarian-related goods, all of which require a license. Imports from North Korea are prohibited as of June 2011; exports to North Korea of most U.S.-origin goods, services, or technology are prohibited as of March 2016. U.S. persons are further prohibited from engaging in transactions with the Government of North Korea or the Workers' Party of Korea related to trade in metal, graphite, coal, or software. Trade in luxury goods is banned. The Department of Commerce denies export licenses for reasons of nuclear proliferation, missile technology, U.N. Security Council requirements, and international terrorism. Using a North Korea-flagged vessel for any transaction is prohibited.
- **Arms sales and arms transfers** are fully denied.
- **Financial transactions are prohibited**. U.S. persons are prohibited from providing financial services for the purpose of evading sanctions, or from providing financial services to a person or entity designated for sanctions. The President, in September 2017, authorized the Secretary of the Treasury to designate for sanctions any foreign financial institution that conducts or

[10] 50 U.S.C. 1701 notes.

facilitates "any significant transaction on behalf of any [designated] person," or "in connection with trade with North Korea."[11]

- **North Korea is designated as a jurisdiction of primary money laundering concern** by the Department of the Treasury's Financial Crimes Enforcement Network (FinCEN), effective December 9, 2016. FinCEN had issued advisories and warnings about North Korea's deceptive and illicit banking practices as early as 2005. This rule is subject to review by the U.S. financial sector and other departments of the U.S. government. If FinCEN's recommendations are adopted, U.S. banks will be prohibited from providing U.S. correspondent accounts to third-country banks to process transactions for North Korean financial institutions.
- **U.S. new investment is prohibited**, and investment in North Korea's transportation, mining, energy, or financial sectors is prohibited. North Korea is also ineligible to participate in any U.S. government program that makes credit, credit guarantees, or investment guarantees available.
- **U.S. foreign aid is minimal** and mostly limited to refugees fleeing North Korea; broadcasting into the country; nongovernmental organization programs dedicated to democracy promotion, human rights, and governance; and emergency food aid. In past years, aid related to disabling and dismantling the country's nuclear weapons program has been made available. By law, U.S. representatives in the international financial institutions (IFI) are required to vote against any support for North Korea due to its nuclear weapons ambitions and international terrorism. Human rights and environmental activities would also likely result in U.S. objections to North Korea's participation in the IFI.
- **U.S.-based assets are blocked** for North Korean individuals, entities, and vessels designated by the Department of the Treasury's Office of Foreign Assets Control (OFAC). U.S. persons are prohibited from entering into trade and transaction with these designees and, most recently, foreign financial institutions could become subject to U.S. sanctions for facilitating transactions for designated persons.
- **Kim Jong-un, the Korean Workers' Party, and others**—banks, shipping companies, seagoing vessels, state agencies, and other individuals affiliated with the state's security regime—are identified as being among those engaged in illicit and punishable activities, possibly including nuclear or ballistic missile programs, undermining cybersecurity, censorship, and sanctions evasion. As a result, effective March 15, 2016, any of their assets under U.S. jurisdiction are frozen, and U.S. persons and entities are prohibited from entering into trade and transactions with the designees.
- **U.S. travel requires a special validation passport** issued by the State Department. Such passports are reserved only for travel in the U.S. national interest and are intended for professional reporters, officials with the American Red Cross or International Committee of the Red Cross, or those who have a "compelling humanitarian" justification.[12]

[11] Section 4, Executive Order 13810 of September 20, 2017; 82 F.R. 44706.

[12] U.S. Department of State. Bureau of Consular Affairs, "Passport for Travel to North Korea," September 1, 2017 (expires March 31, 2021), https://travel.state.gov/content/travel/en/passports/requirements/passport-for-travel-to-north-korea.html.

The U.S. sanctions are a result of requirements incorporated into U.S. law by Congress, decisions made in the executive branch to exercise discretionary authorities, and obligations placed on the United States, as a member state of the United Nations, by the U.N. Security Council. Economic sanctions may restrict or prohibit all manner of bilateral relationships, but broadly can be categorized as impeding aid, trade, travel, and the finances related to these activities. Three Executive Branch Departments—State, Commerce, and Treasury—together have the lion's share of responsibilities to administer the restrictions affecting these activities.

Trade

The United States curtails trade with North Korea for reasons of regional stability, that country's support for acts of international terrorism, lack of cooperation with U.S. antiterrorism efforts, proliferation, and its status as a Communist country and a nonmarket economy. The United States also prohibits transactions relating to trade with certain North Korean entities identified as those who procure luxury goods, launder money, smuggle bulk cash, engage in counterfeiting goods and currency, and traffic in illicit narcotics.

National Emergency Because of Threat to U.S. National Security

Trade with North Korea is significantly restricted because of that country's demonstrated pursuit of nuclear weapons and the means to deliver them. In addition, the Department of Commerce has treated North Korea as a state sponsor of international terrorism, even in the period that the North Korean government was removed from the terrorism list, from mid-2008 through most of 2017.[13] Secretary of State Rex Tillerson redesignated the Government of North Korea as a state sponsor of international terrorism in late 2017.

Commerce's primary means of controlling exports is through the administration of Export Administration Regulations (EAR), in which goods to be controlled for a variety of reasons—national security, foreign policy, short supply, or compliance with international agreements, to name a few—are categorized. Recipient countries are also characterized, from allies for which little licensing is required, to rogue states for which export licensing is all but completely denied. Commerce identifies North Korea among the most restricted trade destinations—Country Group E:1, Terrorist Supporting Countries—which severely limits its access to computers, software, national security-controlled items, items on the Commerce Control List (CCL),[14] and service or repair of such items. A U.S. exporter intending to ship any goods subject to the Export Administration Regulations (EAR), except for food and medicine not on the CCL, is required to obtain an export license.

Commerce also identifies North Korea in the most restrictive country group—Country Group E. U.S. exports to countries in Group E are restricted for reasons of international terrorism.[15] As a result, U.S. exporters are likely to be denied licenses to export any controlled item if North Korea is the destination. In June 2007, Commerce eased licensing requirements so that food, medicine, and humanitarian assistance items could be made available, but at the same time imposed new

[13] See, especially, 15 C.F.R. Part 742.19, "Anti-terrorism: North Korea."

[14] The Secretary of Commerce establishes and administers the Commerce Control List (CCL), goods controlled for national security reasons, pursuant to Section 5(c) of the Export Administration Act of 1979 (P.L. 96-72; 50 U.S.C. App. 2404(c)).

[15] 15 C.F.R. Part 740 Supp. 1. Cuba, no longer designated as a state sponsor of international terrorism, is also designated on the E list. For arms embargoed country designations, see 22 C.F.R. Part 126.1.

licensing prohibitions on the export and reexport of luxury goods to implement the terms of U.N. Security Council Resolution 1718.[16]

Thus, a U.S. company may apply for a license to export to North Korea, but for nearly all items other than food and medicine, there is a presumption of denial. The EAR identify license exceptions; those wishing to export to North Korea, however, are not eligible for these exceptions except in highly circumscribed instances.[17]

The Office of Foreign Assets Control, within the Department of the Treasury, must approve any U.S. importation from North Korea, and weighs all requests in the context of proliferation, money laundering, counterfeiting, bulk cash smuggling, narcotics trafficking, international terrorism, or other illicit economic activity, and who in North Korea might profit. Any transfer involving the Government of North Korea, any senior DPRK government official, or a DPRK person or entity designated as a Specially Designated National pursuant to any of the series of executive orders relating to North Korea, to a person under U.S. jurisdiction is prohibited.[18] The President, in Executive Order 13570 of April 18, 2011, stated the following:

> Except to the extent provided in statutes or in licenses, regulations, orders, or directives that may be issued pursuant to this order, and notwithstanding any contract entered into or any license or permit granted prior to the date of this order, the importation into the United States, directly or indirectly, of any goods, services, or technology from North Korea is prohibited.[19]

United States persons are also prohibited from registering a vessel in North Korea; obtaining authorization to fly the North Korean flag on a vessel; or owning, leasing, operating, or insuring any vessel so flagged.[20]

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[16] Department of Commerce. Bureau of Industry and Security. 15 C.F.R. Parts 732, 738, 740, 742, 746, 772, and 774. "North Korea: Imposition of New Foreign Policy Controls." 15 CFR Part 746.4(b)(1), for example, provides the following:

> …luxury automobiles; yachts; gems; jewelry; other fashion accessories; cosmetics; perfumes; furs; designer clothing; luxury watches; rugs and tapestries; electronic entertainment software and equipment; recreational sports equipment; tobacco; wine and other alcoholic beverages; musical instruments; art; and antiques and collectible items, including but not limited to rare coins and stamps are subject to a general policy of denial. For further information on luxury goods, see supplement no. 1 to part 746.

This language generally is stated at 15 C.F.R. Part 746.4(b)(1). See also Supplement No. 1 to 15 C.F.R. Part 746—Examples of Luxury Goods following 15 C.F.R. Part 746.

[17] 15 C.F.R. Part 746.4(b)(4) provides that licenses "are subject to a general policy of approval" if the intended export is a humanitarian item "(e.g., blankets, basic footware, heating oil, and other items meeting subsistence needs) intended for the benefit of the North Korean people; items in support of United Nations humanitarian efforts; and agricultural commodities or medical devices items that are determined by BIS [Bureau of Industry and Security], in consultation with the interagency license review community, not to be luxury goods are subject to a general policy of approval." 15 C.F.R. Part 746.4(c) provides that some licensing is possible for items used by news media, U.S. government, International Atomic Energy Agency (IAEA), the European Atomic Energy Community (Euratom), safe operation of civil aircraft, operation technology related to other legally exported commodities, and some gift parcels if no luxury goods are included.

[18] 31 C.F.R. Part 510, reissued February 22, 2018; 83 F.R. 9182.

[19] Section1, Executive Order 13570, 76 F.R. 22291, April 18, 2011.

[20] Executive Order 13466, "Continuing Certain Restrictions With Respect to North Korea and North Korean Nationals," 73 F.R. 36787, June 26, 2008. See also 31 C.F.R. Part 510, issued November 4, 2010.

Terrorism

The Government of North Korea is designated as a state sponsor of acts of international terrorism under several statutes governing U.S. export policy, arms trade, and foreign assistance.[21]

Most elements of trade, Beneficiary Developing Country status, sales of items on the U.S. Munitions List, most foreign aid, Export-Import Bank funding, and support in international financial institutions are denied to countries found to be supporting international terrorism under the Export Administration Act of 1979. North Korea was added to the list effective January 20, 1988. Placement on the Section 6(j) list not only results in the constriction of trade possibilities; placement also may trigger denial of beneficial trade designation (NTR or GSP), unfavorable tax status for investors, new limits on diplomatic relations, opposition in international financial institutions, and stricter licensing requirements for trade with the United States in food and medicine.[22]

North Korea is also among those countries listed as being in violation of Section 40A of the Arms Export Control Act, which prohibits the selling or licensing of defense articles or defense services to any country that the President finds "is not cooperating fully with United States antiterrorism efforts." The President is required to make such a determination annually, and the prohibition may be waived on grounds that it is in the national interest to do so.[23]

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[21] Section 6(j) of P.L. 96-72 (50 U.S.C. app. 2405). Also currently listed as supporters of international terrorism are Iran, Syria, and Sudan. See also Section 40 of the Arms Export Control Act (22 U.S.C. 2780) and Section 620A of the Foreign Assistance Act of 1961 (22 U.S.C. 2371). Each of these sections of law authorizes the promulgation of a list of supporters of international terrorism, though no list has been generated under either section. It is generally considered that the list maintained pursuant to the Export Administration Act of 1979 applies to all three laws.

Then-Secretary of State Rex Tillerson designated the Government of North Korea as a state sponsor of acts of international terrorism on November 17, 2017: Department of State Public Notice 10211, "Democratic People's Republic of Korea (DPRK) Designation as a State Sponsor of Terrorism (SST)," November 27, 2017, 82 F.R. 56100. The timing suggests that this step was taken largely in response to a requirement from Congress for the Secretary to determine, not later than early November 2017, "whether North Korea meets the criteria for designation as a state sponsor of terrorism." Section 324, Korean Interdiction and Modernization of Sanctions Act (title III, Countering America's Adversaries Through Sanctions Act; P.L. 115-44; 131 Stat. 954). Previously, Secretary of State George Shultz had designated the DPRK government on January 20, 1988, following the mid-air bombing of Korean Air Lines flight 858, reportedly brought down DPRK government agents in late 1987. On June 26, 2008, President George W. Bush certified that the Government of North Korea had met the requirements of U.S. law to be found to no longer support acts of international terrorism. Memorandum of June 26, 2008; 73 F.R. 37351. Secretary of State Condoleeza Rice, a few months later, rescinded North Korea's listing as a terrorist supporter, as required by law. Department of State Public Notice 6415; October 11, 2008; 73 F.R. 63540. CRS Report RL31696, *North Korea: Economic Sanctions Prior to Removal from Terrorism Designation*, and CRS Report R43835, *State Sponsors of Acts of International Terrorism—Legislative Parameters: In Brief*, provide details on the statutes relating to a terrorism designation.

[22] See Section 502 of the Trade Act of 1974 (P.L. 93-618;19 U.S.C. 2462); Section 901(j) of the International Revenue Code (26 U.S.C. 901(j)); 10 United States Code §2327 (General Military Law); Section 40 of the State Department Basic Authorities Act of 1956 (P.L. 84-885; 22 U.S.C. 2712); Section 205 of the State Department Basic Authorities Act of 1956 (P.L. 84-885; 22 U.S.C. 4305); Section 1621 of the International Financial Institutions Act (P.L. 95-118; 22 U.S.C. 262p-4q); Section 501 of Miscellaneous Appropriations, 2000 (H.R. 3425, enacted by reference in P.L. 106-113; 22 U.S.C. 2395a note); and Section 906 of the Trade Sanctions Reform and Export Enhancement Act (H.R. 5426, enacted by reference in P.L. 106-387; 22 U.S.C. 7205), as amended.

[23] 22 U.S.C. 2781. The most recent certification, Department of State Public Notice 10428 of May 5, 2018 (83 F.R. 23988; May 23, 2018), includes Eritrea, Iran, North Korea, Syria, and Venezuela. This section of law was added to the Arms Export Control Act in late 1996; North Korea has been included on the list each year since its inception.

Nonmarket Economy

The Trade Agreement Extension Act of 1951 required the suspension of Most-Favored-Nation trade status (MFN, which is now known as Normal Trade Relations [NTR]) for all Communist countries except Yugoslavia. As a result, North Korea was denied MFN trade status on September 1, 1951.

North Korea remains listed in the headnotes of the Harmonized Tariff Schedule of the United States (HTSUS) as a Rate of Duty Column 2 country (along with Cuba). As a result, while trade is not prohibited with North Korea under the relevant trade laws, tariffs are set at the highest rates for imports from that country.[24] A side result of being denied MFN or NTR status is that any such country is also denied preferential trade treatment under the Generalized System of Preferences (GSP), pursuant to the Trade Act of 1974.[25] As a nonmarket economy found to deny its citizens the right or opportunity to emigrate, North Korea is not eligible to participate in any U.S. government program that makes credit, credit guarantees, or investment guarantees available, nor may the President enter into any commercial agreement with the country.[26]

Proliferator

On several occasions, North Korean entities have been found to be in violation of U.S. missile nonproliferation laws.[27] Once a finding is made, the imposition of sanctions is mandatory, though sanctions may be waived if the President finds it "essential to the national security of the United States" to do so. The severity of the sanction depends on the type of material or technology transferred. The duration of the sanction also depends on the material or technology involved; generally sanctions are imposed for two years or more.

Sanctions include, at a minimum, a denial of contracts with agencies of the U.S. government, denial of licenses for items on the U.S. Munitions List (USML),[28] and, at a maximum, a denial of all licenses for importing into the United States for the foreign person or entity.

Because North Korea is a nonmarket economy,[29] all relevant activities of the Government of North Korea are also sanctioned when entities in North Korea are found to have engaged in proliferation under U.S. law.

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[24] Harmonized Tariff Schedule of the United States, general note 3(b).

[25] Section 502(b)(1) of P.L. 93-618 (19 U.S.C. 2461).

[26] Section 402 of the Trade Act of 1974, popularly referred to as the Jackson-Vanik amendment (19 U.S.C. 2432), and Section 409 of that Act (19 U.S.C. 2439).

[27] Section 73 of the Arms Export Control Act (P.L. 90-629; 22 U.S.C. 2797b), Section 11B of the Export Administration Act (P.L. 96-72; 50 U.S.C. App. 2410b), and Sections 2 and 3 of the Iran, North Korea, and Syria Nonproliferation Act of 2000 (P.L. 106-178; 50 U.S.C. 1701 note), as amended. North Korea was added to the latter Act on October 13, 2006, with the signing into law of the North Korea Nonproliferation Act of 2006 (P.L. 109-353; 120 Stat. 2015).

[28] "In furtherance of world peace and the security and foreign policy of the United States, the President is authorized to control the import and export of defense articles and defense services and to provide foreign policy guidance to persons of the United States involved in the export and import of such articles and services." To accomplish this, the President is authorized to designate items to be controlled—the United States Munitions List (USML). Section 38(a)(1) of the Arms Export Control Act (P.L. 90-629; 22 U.S.C. 2778(a)(1)). The USML may be found at 22 C.F.R. Part 121.1.

[29] Section 74(a)(8)(B) of the Arms Export Control Act (P.L. 90-629; 22 U.S.C. 2797c(a)(8)(B)) applies restrictions to a government of a country deemed to be a nonmarket economy when an entity under the jurisdiction of that government engages in missile proliferation activities, because the separation between government and commerce is not distinct. Section 74 provides, in part: "…in the case of countries with non-market economies … the term 'person' means … all activities of that government relating to the development or production of any missile equipment or technology; and …

With the nuclear weapons test of October 8, 2006, President Bush exercised the authority granted his office to cut off all foreign aid except humanitarian and food aid, deny sales or transfers of defense articles and defense services, deny export licenses for items on the USML, deny foreign military financing, deny credit underwritten or provided by government coffers, withhold U.S. support in the international financial institutions, deny export licenses for dual-use items, and withhold Export-Import Bank support.[30] At the time, the United States already maintained a fairly comprehensive sanctions regime on North Korea, thus most of these relationships were already broken or limited.

Access to Landing or Ports

President Trump, in Executive Order 13810 of late 2017, determined that "no aircraft in which a foreign person has an interest that has landed" in North Korea would be permitted to land in the United States within 180 days from its departure from North Korea. Seagoing vessels are similarly restricted. The order allows for completion of standing contracts.[31]

Aid

Terrorism

Because the Secretary of State has identified the Government of North Korea as a state sponsor of acts of international terrorism, it is denied most aid under the Foreign Assistance Act of 1961.[32] North Korea's access to U.S. foreign assistance is also limited in annual foreign operations appropriations measures.[33] In most instances, it is not expressly stated that the restriction or prohibition is associated with North Korea's place on the terrorist list. Even if the appropriations law prohibits the availability of foreign aid, there are numerous exceptions to the law. Thus, programs in nonproliferation, demining, child survival, conservation and biodiversity, food aid,

all activities of that government affecting the development or production of electronics, space systems or equipment, and military aircraft…."

[30] Section 102 of the Arms Export Control Act (P.L. 90-629; 22 U.S.C. 2799aa-1), popularly referred to as the Glenn amendment; Section 2(b)(4) of the Export-Import Bank Act of 1945 (P.L. 79-173; 12 U.S.C. 635(b)(4)); and the Department of State, Foreign Operations, and Related Programs Appropriations Act, 2010 (division F of the Consolidated Appropriations Act, 2010; P.L. 111-117; 123 Stat. 3034 at 3312), relating to Export-Import Bank funding. On December 7, 2006, President Bush determined that North Korea, a non-nuclear-weapon state, had detonated a nuclear explosive device, citing Section 102(b) of the Arms Export Control Act and Section 129 of the Atomic Energy Act. Presidential Determination No. 2007-07. *Public Papers of the President.* December 18, 2006.

[31] Section 2, Executive Order 13810 of September 20, 2017; 82 F.R. 44706.

[32] Section 620A of that Foreign Assistance Act of 1961 (P.L. 87-195; 22 U.S.C. 2371) prohibits most aid under its auspices as well as that of the Agricultural Trade Development and Assistance Act of 1954 (P.L. 480; 7 U.S.C. 1691 et seq.), Peace Corps Act (P.L. 87-293; 22 U.S.C. 2501 et seq.), and Export-Import Bank Act of 1945 (P.L. 79-173; 12 U.S.C. 635 et seq.). The section, however, also provides the President the authority to waive its application on humanitarian or national security grounds in some instances.

[33] When appropriations law prohibits the availability of foreign aid, however, numerous exceptions to the law allow aid to be made available for targeted programs. Thus, programs in nonproliferation, demining, child survival, conservation and biodiversity, food aid, debt buybacks, health and disease prevention, unanticipated contingencies, international disaster assistance, and antiterrorism may be funded or supported in spite of country-specific restrictions. The President also is authorized, under Section 614 of the Foreign Assistance Act of 1961 (22 U.S.C. 2364) to furnish foreign aid "without regard to any provision of this Act, the Arms Export Control Act, any law relating to receipts and credits accruing to the United States, and any Act authorizing or appropriating funds for use under this Act…."

debt buybacks, health and disease prevention, unanticipated contingencies, international disaster assistance, and antiterrorism may be funded or supported in spite of country-specific restrictions.

Under the Department of State, Foreign Operations, and Related Programs Appropriations Act,[34] North Korea is generally denied direct foreign aid, economic support funds (ESF) for energy-related programs, and direct loans, credits, insurance and guarantees of the Export-Import Bank. The prohibitions on direct foreign aid to North Korea also make that country ineligible for Millennium Challenge Account programs.[35]

At the President's discretion, North Korea is also subject to the economic sanctions provided in three provisions of law addressing human rights conditions: the Foreign Assistance Act of 1961,[36] under which North Korea is annually castigated for its human rights record; the International Religious Freedom Act of 1998,[37] under which the administration has identified North Korea as a "country of particular concern" since 2001; and the Trafficking Victims Protection Act of 2000,[38] under which the administration has, since 2003, classified North Korea as a Tier 3 (most severe) offender of standards pertaining to the trafficking of persons for slavery or sex trade. Because of North Korea's failure to comply with minimum standards relating to trafficking in persons, President Obama, in 2010, strengthened the sanctions against North Korea to deny foreign assistance and also to deny "funding for participation by officials or employees of such governments in educational and cultural exchange programs for the subsequent fiscal year."[39] Any sanctions imposed pursuant to these acts would be largely redundant, however, with penalties already prescribed to North Korea for the above-stated reasons.

Under Department of Defense Appropriations, 2018, North Korea is denied assistance under that act "unless specifically appropriated for that purpose."[40]

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[34] Division K of the Consolidated Appropriations Act, 2018 (P.L. 115-141; 132 Stat. 348). See particularly Section 7007—Prohibition Against Direct Funding for Certain Countries; and Section 7043(c)— East Asia and the Pacific, which continues funding for the State Department's database of North Korea's gulags and prisons, begun by Section 7032(i) of P.L. 113-76 (128 Stat. 513).

Subsequent to its nuclear tests, North Korea would also be denied U.S. Export-Import Bank support under this Act—see title VI (128 Stat. 2598). In the Korean Human Rights Act of 2004 (P.L. 108-333; 22 U.S.C. 7801 et seq.), as amended, Congress authorizes funding for FY2013 through 2017 for various aid and diplomacy programs for refugees from North Korea (migration and refugee assistance); up to $2 million per year for broadcasting into the country; $5 million per year in economic support funds for programs promoting democracy, human rights, and governance; and Economic Support Funds to promote human rights, address needs of North Korean refugees, improve accountability of humanitarian assistance inside the country, improve the flow of information into and out of the country, and promote a peaceful reunification of the peninsula under a democratic government.

[35] Millennium Challenge Act of 2003 (division D of title VI of P.L. 108-199; 22 U.S.C. 7701 *et seq*.); Millennium Challenge Corporation, "Report on the Criteria and Methodology for Determining the Eligibility of Candidate Countries for Millennium Challenge Account Assistance in in Fiscal Year 2018," Notice of September 29, 2017; 82 F.R. 46289.

[36] Sections 116 and 502B of P.L. 87-195 (22 U.S.C. 2151n and 2304, respectively), as amended.

[37] P.L. 105-292 (22 U.S.C. 6401 *et seq*.). Department of State. "Secretary of State's Determination Under the International Religious Freedom Act of 1998," Public Notice 10265; 83 F.R. 1451; January 11, 2018.

[38] P.L. 106-386 (22 U.S.C. 7101 *et seq*.). Department of State. *Trafficking in Persons Report*. June 2017. https://www.state.gov/j/tip/rls/tiprpt/index.htm.

[39] Section 110(d)(1)(A)(ii) of P.L. 106-386; Presidential Determination No. 2011-15 of September 10, 2010 (75 F.R. 67017).

[40] Section 8043 of the Department of Defense Appropriations, 2018 (division C of P.L. 115-141; 132 Stat. 348).

Nonmarket Economy

The Export-Import Bank Act of 1945 singles out Marxist-Leninist countries for denial of guarantees, insurance, credit, or other Bank funding programs. North Korea is specifically cited as a Marxist-Leninist country for purposes of the Export-Import Bank.[41]

The Foreign Assistance Act of 1961 denies most nonhumanitarian foreign assistance to any Communist country. North Korea is among five countries so designated, though the law is not limited to those countries named.[42]

Several laws deny benefits or assistance to Communist countries, but do not explicitly name any particular state. Because North Korea has been denied such benefits or aid in the course of the events of the early 1950s and thereafter, these other sections of law would probably be redundant if applied to or cited for North Korea.

In some instances, the President may determine that, for purposes of a particular law, North Korea is no longer a "Marxist-Leninist state." If, however, all other aspects of the U.S.-North Korea relationship were to improve, it would probably be necessary for Congress to remove North Korea from the list set out in the Export-Import Bank Act and the Foreign Assistance Act of 1961, or necessary for the President to exercise waiver authority made available to his office under those acts, to make these other laws inapplicable to North Korea.[43]

Arms Sales and Arms Transfers

The International Traffic in Arms Regulations (ITAR), administered by the Department of State, begins "It is the policy of the United States to deny licenses and other approvals for exports and imports of defense articles and defense services, destined for or originating in certain countries." Reasons include requirements of the U.N. Security Council, terrorism, and policies that include arms embargoes and sanctions. Countries broadly restricted for arms trade include Belarus, Burma, China, Cuba, Iran, North Korea, Syria, and Venezuela.[44]

The first ITAR was issued on August 26, 1955; North Korea has been listed as a restricted country from the ITAR's inception. North Korea is also restricted under ITAR as the United States denies North Korea conventional arms to comply with U.N. Security Council requirements.[45]

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[41] Section 2(b)(2) of P.L. 79-173 (12 U.S.C. 635(b)(2)); amended in 1986 to include this ban on funding to Marxist-Leninist states.

[42] Section 620(f) of P.L. 87-195 (22 U.S.C. 2370(f)). Consider also subsec. (h) of that section, which requires the President to "adopt regulations and establish procedures to insure that United States foreign aid is not used in a manner which, contrary to the best interests of the United States, promotes or assists the foreign aid projects or activities of any country that is a Communist country for purposes of subsection (f)." Consider also Section 5(b) of the Export Administration Act of 1979 (P.L. 96-72; 50 U.S.C. App. 2404(b)), which requires the President to "establish as a list of controlled countries those countries set forth in section 620(f) of the Foreign Assistance Act of 1961...."

[43] For example: Section 620(h) of the Foreign Assistance Act of 1961 (P.L. 87-195; 22 U.S.C. 2370(h)), Sections 502(b)(1) and (b)(2)(A) of the Trade Act of 1974 (P.L. 93-618; 19 U.S.C. 2462(b)(2)(A)), Section 5(b) of the Export Administration Act of 1979 (P.L. 96-72; 50 U.S.C. App. 2404(b)), and Section 43 of the Bretton Woods Agreements Act (P.L. 79-171; 22 U.S.C. 286aa), the latter of which requires the U.S. Executive Directors to the International Monetary Fund "to actively oppose any facility involving use of Fund credit by any Communist dictatorship...."

[44] 22 C.F.R. Part 126.1(a) and (d), authorized pursuant to Section 38 of the Arms Export Control Act (P.L. 90-629; 22 U.S.C. 2778).

[45] U.N. Security Council Resolution 1718 (2006), October 14, 2006 (U.N. document S/Res/1718 (2006)); U.N. Security Council Resolution 1874 (2009), June 12, 2009 (U.N. document S/Res/1874 (2009)).

Importing of defense articles and defense services is similarly restricted by the Department of Justice's Bureau of Alcohol, Tobacco, Firearms, and Explosives, the regulations of which state the following:

> It is the policy of the United States to deny licenses and other approvals with respect to defense articles and defense services originating in certain countries or areas. This policy applies to Afghanistan, Belarus (one of the states composing the former Soviet Union), Cuba, Iran, Iraq, Libya, Mongolia, North Korea, Sudan, Syria, and Vietnam. This policy applies to countries or areas with respect to which the United States maintains an arms embargo (e.g., Burma, China, the Democratic Republic of the Congo, Haiti, Liberia, Rwanda, Somalia, Sudan, and UNITA (Angola)). It also applies when an import would not be in furtherance of world peace and the security and foreign policy of the United States.[46]

Again, the President has the authority to change these regulations by removing North Korea from the list of restricted countries.

Access to Assets

Declaration of National Emergency

On June 26, 2008, when the Six Party Talks appeared to be making progress, President Bush determined it was no longer in the national interest to continue certain restrictions imposed on trade and transactions with North Korea, in place since 1950.[47] At the same time, however, he found that[48]

> … the current existence and risk of the proliferation of weapons-usable fissile material on the Korean Peninsula constitute an unusual and extraordinary threat to the national security and foreign policy of the United States, and I hereby declare a national emergency to deal with that threat. I further find that, as we deal with that threat through multilateral diplomacy, it is necessary to continue certain restrictions with respect to North Korea that would otherwise be lifted pursuant to a forthcoming proclamation that will terminate the exercise of authorities under the Trading With the Enemy Act…. Accordingly, I hereby order… the following are blocked and may not be transferred, paid, exported, withdrawn, or otherwise dealt in:

[46] 27 C.F.R. Part 447.52(a), also authorized under Section 38 of the Arms Export Control Act.

[47] The President. "Termination of the Exercise of Authorities Under the Trading With the Enemy Act With Respect to North Korea," Proclamation 8271 (June 26, 2008; 73 F.R. 36785). On December 16, 1950, President Truman invoked authority granted his office under the Trading With the Enemy Act (TWEA) to declare that a U.S. national emergency existed because of the outbreak of the Korean War (and events elsewhere, as "world conquest by communist imperialism is a goal of the forces of aggression that have been loosed upon the world") (Proclamation 2914; 15 F.R. 9029). A few days later, the Department of the Treasury issued Foreign Assets Control Regulations (FACR; 31 C.F.R. Part 500; 15 F.R. 9040, December 19, 1950, and subsequently amended) to forbid any financial transactions involving, or on behalf of, North Korea and China, including transactions related to travel or the access to North Korean assets that were subject to U.S. jurisdiction. Korea-related FACR have been modified on numerous occasions to take into consideration new circumstances (i.e., transactions relating to technology not in existence at the time the regulations were issued) or to ease restrictions in response to changing conditions (i.e., signing of the Agreed Framework, emerging reports of famine, North Korea's announced moratorium on missile testing).

[48] Executive Order 13466, "Continuing Certain Restrictions With Respect to North Korea and North Korean Nationals," 73 F.R. 36787, June 26, 2008. 31 C.F.R. Part 510, November 4, 2010.

- all property and interests in property of North Korea or a North Korean national that … were blocked as of June 16, 2000,[49] and remained blocked immediately prior to the date of this order.
- United States persons may not register a vessel in North Korea, obtain authorization for a vessel to fly the North Korean flag, or own, lease, operate, or insure any vessel flagged by North Korea.

In a series of executive orders, the Presidents in succession have used the national emergency to block access to assets of designated individuals and entities:

- Executive Order 13466 of June 26, 2008 (President Bush; 73 F.R. 36787)—continuing the block of assets that were blocked as of June 16, 2000;
- Executive Order 13551 of August 30, 2010 (President Obama; 75 F.R. 53837)—blocking assets of Kim Yong Chol, and the entities Green Pine Associated Corporation, Reconnaissance General Bureau, and Office 39;[50]
- Executive Order 13570 of April 18, 2011 (President Obama; 76 F.R. 22291)—to prohibit the import of goods, services, or technology form North Korea;
- Executive Order 13687 of January 2, 2015 (President Obama; 81 F.R. 14943)—blocking assets that come under U.S. jurisdiction of any agency, instrumentality, or controlled entity of the North Korean government or the Workers' Party of Korea, or any official of those entities; those found to materially support transactions with or act on behalf of those blocked entities;[51]
- Executive Order 13722 of March 15, 2016 (President Obama; 81 F.R. 14943)—blocking property and interests in property that come under U.S. jurisdiction of the Government of North Korea, the Workers' Party of Korea, and designated entities that operate in DPRK's transportation, mining, energy, or financial services sectors (or other sectors as designated). Designees include Kim Jong-un;[52] and
- Executive Order 13810 of September 20, 2017 (President Trump; 82 F.R. 44705)—blocking property and interests in property that come under U.S. jurisdiction of designated persons and entities that operate in the DPRK's "construction, energy, financial services, fishing, information technology, manufacturing, medical, mining, textiles, or transportation industries"; persons

[49] In 1999, President Clinton announced he would lift many restrictions on U.S. exports to and imports from North Korea in areas other than those controlled for national security concerns; the Departments of Commerce, Treasury, and Transportation issued new regulations a year later, effective June 16, 2000, to implement the new policy.

[50] OFAC may add to this list at any time. The Specially Designated Nationals list may be searched online at http://www.treasury.gov/resource-center/sanctions/SDN-List/Pages/default.aspx.

[51] OFAC, on January 2, 2015, designated three entities and 10 individuals under this executive order: Reconnaissance General Bureau, Korea Mining Development Trading Corporation, and Korea Tangun Trading Corporation; and Kil Jong Hun, Kim Kwang Yon, Jang Song Chol, Yu Kwang Ho, Kim Yong Chol, Jang Yong Son, Kim Kyu, Ryu Jin, Kang Ryong, Kim Kwang Chun—all officers of either the government or the sanctioned entities. Department of the Treasury. "Treasury Imposes Sanctions Against the Government of the Democratic People's Republic of Korea," press release, January 2, 2015, Department of the Treasury Notice, 80 F.R. 13667, March 16, 2015. Treasury designated an additional four individuals—Sok Chol Kim, Kwang Hyok Kim, Chong Chol Ri, and Su Man Hwang—and one entity—EKO Development and Investment Company—effective November 13, 2015. Department of the Treasury Notice, November 18, 2015, 80 F.R. 72147.

[52] Pursuant to Executive Order 13722, OFAC has designated 34 entities, vessels, and individuals, including Kim Jong-un, chairman of the Korea Workers' Party and president of the country, national banks, the Ministry of State Security, the Ministry of People's Security Correctional Bureau, and others.

> who own, control, or operate any of North Korea's sea-, land-, or airports; or those who generate income for the government or Workers' Party.

Generally, the President has the authority to change regulations, as long as those changes meet the requirements of any relevant law. He must also annually revisit his declaration of a state of national emergency; it expires if the President does not renew it. He could allow the declaration to expire, or he could lift it at any time. And Congress could terminate a declaration of national emergency by passing a joint resolution under terms of the National Emergencies Act.

Proliferation of Weapons of Mass Destruction

On June 28, 2005, President George W. Bush expanded the authority granted his office to address the threat posed by the proliferation of weapons of mass destruction—authority first exercised by President George H. W. Bush in 1990—to freeze assets and property of those engaged in the proliferation of weapons of mass destruction. The 41st President had declared that the United States faced a national emergency relating to weapons proliferation (in the absence, at the time, of a reauthorized Export Administration Act), and thus took steps in 1990 to control the exports of certain goods and services, and authorized a ban on foreign aid and credit, procurement contracts, imports and exports, support in international financial institutions, and landing rights.[53] Fifteen years later, the 43rd President's executive order took additional steps to block property and assets under U.S. jurisdiction of any person found, in part

> ... to have engaged, or attempted to engage, in activities or transactions that have materially contributed to, or pose a risk of materially contributing to, the proliferation of weapons of mass destruction or their means of delivery (including missiles capable of delivering such weapons), including any efforts to manufacture, acquire, possess, develop, transport, transfer or use such items, by any person or foreign country of proliferation concern;
>
> ... to have provided, or attempted to provide, financial, material, technological or other support for, or goods or services in support of, any activity or transaction described [above] ... or any person whose property and interests in property are blocked pursuant to this order ...[54]

At its outset, Executive Order 13382 identified eight foreign entities as contributors to proliferation, of which three were North Korean. The Office of Foreign Assets Control subsequently added North Korean entities and individuals to this restricted list; of the 294 entities and individuals designated as weapons proliferators, 37 are cited as located in DPRK. In the same findings, OFAC identified entities operating out of Switzerland, Iran, China, South Korea, Russia, Sudan, Syria, United Arab Emirates, Venezuela, Belgium, and Belarus as entities engaging in WMD proliferation.[55]

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[53] Executive Order 12735 of November 16, 1990. On the same day, the President announced his intention to pocket veto H.R. 4653—the Omnibus Export Amendments Act of 1990—with which Congress intended to reauthorize the then-expired Export Administration Act of 1979. In his announcement, President Bush stated his intentions to curtail significantly trade in goods and services that lent themselves to the proliferation of weapons of mass destruction. See "Memorandum of Disapproval for the Omnibus Export Amendments Act of 1990," *Public Papers of the President*, November 16, 1990. 26 Weekly Comp. Pres. Doc. 1839. E.O. 12735 was subsequently overhauled by President Clinton with the issuance of Executive Order 12938 (November 14, 1994; 59 F.R. 59099; 50 U.S.C. 1701 note). The national emergency therein is renewed annually.

[54] Executive Order 13382, *Blocking Property of Weapons of Mass Destruction Proliferators and Their Supporters* (June 28, 2005; 70 F.R. 38567).

[55] See Department of the Treasury. Office of Foreign Assets Control. "Nonproliferation: What You Need to Know About Treasury Restrictions." *Information Bulletin*, most recently updated September 19, 2012, http://www.treasury.gov/resource-center/sanctions/Programs/Documents/wmd.pdf. See also testimony of Robert W.

Counterfeiting and Money-Laundering

Banco Delta Asia

On September 12, 2005, the Department of the Treasury found that Banco Delta Asia—a Macau-based bank in which North Korea had holdings of more than $ U.S. 50 million—was a "financial institution of primary money laundering concern."[56] The Treasury Department's Financial Crimes Enforcement Center (FinCEN) found that North Korea may reap as much as $500 million annually from counterfeiting, and another $100 million to $200 million annually from narcotics trafficking. The finding authorizes the Secretary of the Treasury to require "special measures"[57] on the part of U.S. financial institutions and financial agencies that involve increased record keeping and reporting on Banco Delta Asia's transactions. Treasury issued a final rule, effective April 18, 2007, to impose the most stringent fifth special measure—to prohibit certain bank transactions—and issued regulations to implement the rule.[58] The finding and initial proposed rulemaking had a chilling effect on Banco Delta Asia's international business relations. Department of the Treasury officials testified that

> some two dozen financial institutions across the globe have voluntarily cut back or terminated their business with North Korea, notably including institutions in China, Japan, Vietnam, Mongolia, and Singapore. The result of these voluntary actions is that it is becoming very difficult for the Kim Jong-Il regime to benefit from its criminal conduct.[59]

North Korea's funds held in Banco Delta Asia were released in 2007.

Werner, Director of the Office of Foreign Assets Control, Department of the Treasury, before the House Committee on Financial Services, February 16, 2006.

On January 9, 2007, the Department of the Treasury announced that it had designated Bank Sepah, a state-owned Iranian financial institution, as an entity materially contributing to Iran's proliferation activities. Bank Sepah, coincidentally, according to Treasury, is credited with transferring more than $500,000 for an associate of the Korean Mining Development Corporation. That entity was cited on December 28, 2006, under the Iran, North Korea, and Syria Nonproliferation Act of 2000, for exporting missile technology to Iran. Department of the Treasury. Press release. *Iran's Bank Sepah Designated by Treasury: Sepah Facilitating Iran's Weapons Program*. January 9, 2007. HP-219; Weisman, Steven. "U.S. Prohibits All Transactions with a Major Iranian Bank," *The New York Times.* January 10, 2007. p. 3. Korean Mining Development Corporation is cited multiple times under Executive Order 13882.

[56] Pursuant to 31 U.S.C. 5318A, as enacted by the USA PATRIOT Act (Section 311 of P.L. 107-56; 115 Stat. 298). Effective September 12, 2005, the Treasury Department's Financial Crimes Enforcement Network issued a finding (70 F.R. 55214) and a notice of proposed rulemaking (to amend 31 C.F.R. Part 103; 70 F.R. 55217). Documentation on the use of this authority may be found at https://www.treasury.gov/resource-center/terrorist-illicit-finance/311-Actions/Pages/311-Actions.aspx.

[57] 31 U.S.C. 5318A(b) defines "special measures" as (1) record keeping and reporting of certain financial transactions; (2) collection of information relating to beneficial ownership; (3) collection of information relating to certain payable-through accounts; (4) collection of information relating to certain correspondent accounts; and (5) prohibitions or conditions on opening or maintaining in the United States correspondent accounts or payable-through accounts.

[58] U.S. Department of the Treasury. "Financial Crimes Enforcement Network; Amendment to the Bank Secrecy Act Regulations—Imposition of Special Measure Against Banco Delta Asia, Including Its Subsidiaries Delta Asia Credit Limited and Delta Asia Insurance Limited, as a Financial Institution of Primary Money Laundering Concern," Final Rule, 31 C.F.R. Part 103 (72 F.R. 12730).

[59] Senate Committee on Banking, Housing and Urban Affairs hearings, September 12, 2006, testimony of Treasury Deputy Under Secretary Daniel Glaser. *Congressional Quarterly*.

Access to the U.S. Financial System

Money Laundering Concern Determined in 2016

Congress called on the Secretary of the Treasury, in consultation with the Secretary of State and Attorney General, to determine not later than mid-August 2016 "whether reasonable grounds exist for concluding that North Korea is a jurisdiction of primary money laundering concern."[60] On May 27, 2016, Treasury's Acting Director of FinCEN found that such reasonable grounds exist. In December 2016, FinCEN finalized a rule that prohibits U.S. banks from providing U.S. correspondent accounts to third-country banks to process transactions for North Korean financial institutions.[61] The Department of the Treasury, on announcing the finding, noted the following:

> While current U.S. law already generally prohibits U.S. financial institutions from engaging in both direct and indirect transactions with North Korean financial institutions, this NPRM [notice of proposed rulemaking], if finalized, would require U.S. financial institutions to implement additional due diligence measures in order to prevent North Korean banking institutions from gaining improper indirect access to U.S. correspondent accounts. While North Korea's financial institutions do not maintain correspondent accounts with U.S. financial institutions, North Korean financial institutions frequently conduct transactions on behalf of the North Korean government and state-controlled corporations. The NPRM, if finalized, would prohibit the use of third-country banks' U.S. correspondent accounts to process transactions for North Korean financial institutions.[62]

Other Actions Related to Money Laundering

President Obama also addresses money laundering and counterfeiting in Executive Order 13551 as one of North Korea's many objectionable behaviors to be deterred. The order requires the access to property and interests in property be blocked for any individual or entity identified by the Secretary of the Treasury to have, directly or indirectly[63]

- imported, exported, or reexported to, into, or from North Korea any arms or related materiel;
- provided training, advice, or other services or assistance, or engaged in financial transactions, related to the manufacture, maintenance, or use of any arms or related materiel to be imported, exported, or reexported to, into, or from North Korea, or following their importation, exportation, or reexportation to, into, or from North Korea;
- imported, exported, or reexported luxury goods to or into North Korea;
- engaged in money laundering, the counterfeiting of goods or currency, bulk cash smuggling, narcotics trafficking, or other illicit economic activity that involves or supports the Government of North Korea or any senior official thereof;

[60] Section 201(c), North Korea Sanctions and Policy Enhancement Act of 2016 (P.L. 114-122; 22 U.S.C. 9221(c)).

[61] U.S. Department of the Treasury, Financial Crimes Enforcement Network. "Finding That the Democratic People's Republic of Korea Is a Jurisdiction of Primary Money Laundering Concern," Notice of finding, 81 F.R. 35441; June 2, 2016. U.S. Department of the Treasury, Financial Crimes Enforcement Network. "Imposition of a Special Measure Against North Korea as a Jurisdiction of Primary Money Laundering Concern," Notice of proposed rulemaking, 81 F.R. 35665; June 3, 2016. Final rule entered into effect December 9, 2016; 81 F.R. 78715.

[62] U.S. Department of the Treasury. "Treasury Takes Action to Further Restrict North Korea's Access to the U.S. Financial System," June 1, 2016, press release.

[63] Executive Order 13551, "Blocking Property of Certain Persons With Respect to North Korea," 75 F.R. 53837, September 1, 2010.

- materially assisted, sponsored, or provided financial, material, or technological support for, or goods or services to or in support of, prohibited activities or any person whose property and interests in property are blocked; or
- be owned or controlled by, or to have acted or purported to act for or on behalf of, any person whose property and interests in property are blocked.

Targeting Foreign Financial Institutions

In September 2017, President Trump authorized the Secretary of the Treasury to "prohibit the opening and impose strict conditions on the maintenance of correspondent accounts or payable-through accounts in the United States" of any foreign financial institution found to have "conducted or facilitated any significant transaction on behalf of any person" already designated for U.S. sanctions, or to have conducted or facilitated such a transaction related to trade with North Korea. In addition, the U.S.-based assets of any foreign financial institution found to engage in such transactions are to be blocked.

Sanctions Required by the United Nations

U.N. Security Council Resolutions—10 have been adopted between 2006 and September 2017—that form the requirements of the U.N. member states often incrementally clarify, expand on, enhance, or strengthen the previous U.N. actions. Resolutions, however, are not revoked until the problem at hand is resolved, nor are they amended (with a few exceptions).

U.N. Security Council resolutions also establish considerable opportunity for member states to appeal to the Sanctions Committee—established to implement the DPRK resolutions with representatives from each of the 15 Security Council states—for an exception prior to executing a transaction. Overall, the Security Council has sought to protect DPRK's civilian population from the consequences of economic sanctions. UNSCR 2371 (2017), agreed to in August 2017, for example, provides the following:

> [The United Nations Security Council] Reaffirms that the measures imposed by resolutions 1718 (2006), 1874 (2009), 2087 (2013), 2094 (2013), 2270 (2016), 2321 (2016), 2356 (2017), and this resolution 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..., 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 and decides that the Committee may, on a case-by-case basis, exempt any activity from the measures imposed by these resolutions if the committee determines that such an exemption is necessary to facilitate the work of such organizations in the DPRK or for any other purpose consistent with the objectives of these resolutions, and further decides that the measures specified in paragraph 8 (d) of resolution 1718 (2006) shall not apply with respect to financial transactions with the DPRK Foreign Trade Bank or the Korea National Insurance Corporation if such transactions are solely for the operation of diplomatic or consular missions in the DPRK or humanitarian assistance activities that are undertaken by, or in coordination with, the United Nations....

Similar language to exempt humanitarian activities is provided in each resolution, and such exemptions are stated throughout each resolution but tailored to particular kinds of transactions.

The Sanctions Committee of the Security Council may designate entities, individuals, vessels, and aircraft to be subject to economic sanctions at any time. In addition, beginning in 2013, the Security Council added annexes to resolutions to name designees, as well as to make the ban on

exporting luxury goods to DPRK more explicit, and to define goods and services with military applications that are also subject to an export prohibition.

Currently, the United Nations requires its member states to restrict trade and engagement with North Korea as follows:

Table 1. U.N. Security Council Sanctions Requirements for North Korea Activities

Based on S/Res/1718 (2006), 1874 (2009), 2087 (2012), 2094 (2013), 2270 (2016), 2321 (2016), 2356 (2017), 2371 (2017), 2375 (2017), and 2397 (2017)

Targeted Activities	Measures To Be Taken By U.N. Member States
Arms and related materiel	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 all arms and related materiel, including small arms and light weapons and their related materiel, a ban on related financial transactions, technical training including hosting of trainers, advisors, or other officials for the purpose of military-, paramilitary-, or police related training, services or assistance related to manufacture, maintenance or use, and with respect to the shipment of items to or from the DPRK for repair, servicing, refurbishing, testing, reverse-engineering and marketing. Prevent the supply, sale, or transfer of any item, even if not covered by the arms embargo, if such an item could directly contribute to the development of the DPRK's operational capabilities of its armed forces, or to exports that support/enhance the capabilities of armed forces of another Member State outside the DPRK. *Exemptions*: "[A]ctivity is exclusively for humanitarian purposes or exclusively for livelihood purposes which will not be used by DPRK individuals or entities to generate revenue, and also not related to any activity prohibited" by any of the relevant UNSC resolutions; or the "[Sanctions] Committee has determined on a case-by-case basis that a particular supply, sale, or transfer would not be contrary to the objectives of" any of the relevant UNSC resolutions.
Arms and related materiel related to proliferation	Prevent the direct or indirect supply, sale, or transfer of items relevant to nuclear, ballistic missiles, and other weapons of mass destruction-related programs. List of restricted items: https://www.un.org/sc/suborg/en/node/6787 Prevent trade in any item that a Member State determines could contribute to the DPRK's nuclear or ballistic missile programs, other weapons of mass destruction programs, or other prohibited activities. *No exemptions.*
Proliferation networks	Expel DPRK diplomats, government representatives, other DPRK nationals acting in a governmental or representative office capacity, and foreign nationals that are working on behalf or at the direction of a designated person and/or entity or of a person and/or entity assisting in sanctions evasions or violating the resolutions. *Exemptions*: Presence is required to fulfill U.N. business; a judicial process; medical, safety, or other humanitarian purposes; or case-by-case determination "that the expulsion of the individual would be contrary to the objectives of" the relevant UNSC resolutions.

Targeted Activities	Measures To Be Taken By U.N. Member States
Diplomatic services	Close representative offices of designated persons and entities, as well as on any persons or entities acting on behalf of such designated persons or entities, as well as prohibit them from participating in joint ventures and any other business arrangements. Reduce the number of staff at DPRK diplomatic missions and consular posts and restrict the entry into or transit through territory of DPRK government members, officials, DPRK armed forces, or members/officials which are associated with prohibited programmes or activities. Limit the number of bank accounts to one per DPRK diplomatic mission and consular post, and one per accredited DPRK diplomat and consular officer. Prohibit the DPRK from using real property (owned or leased) in their territory for non-diplomatic or -consular activities purposes.
Transportation, flagged vessels, ports, aircraft	Inspect cargo destined to or originating from the DPRK or brokered by the DPRK that is within or transiting their territories, including cargo on DPRK flagged aircraft or vessels, carried by rail or road, as well as personal luggage. Prohibit leasing or chartering flagged vessels, aircraft or providing crew services to the DPRK, designated persons and entities, or any persons or entities whom the Member State determines have assisted in sanctions evasions or in violation of the resolutions. Prohibit procuring vessel and aircraft services from the DPRK. Deregister any vessel that is owned, operated or crewed by the DPRK; refuse to register any such vessel that is deregistered by another Member State. Deregister any vessels for which there are reasonable grounds to believe are involved in prohibited activities or transporting prohibited items. Do not register any vessel that has been deregistered by another Member State. Do not provide insurance or reinsurance for such vessels. Prohibit one's nationals, entities, and persons from registering vessels in the DPRK or to obtain authorization for a vessel to use the DPRK flag. Prohibit any DPRK-flagged vessel from owning, leasing, operating, or providing vessel classification, certification, associated service, and insurance under a Member State's authority. Deny permission to any aircraft to take off from, land in or overfly one's territory if there are reasonable grounds to believe that the aircraft contained prohibited items. Deny port entry if there are reasonable grounds that a vessel is owned, controlled, directly or indirectly, by a designated individual and/or entity. Inspect vessels on the high seas if there are reasonable grounds to believe its cargo is prohibited. All States are required to cooperate with inspections. Seize, inspect, and impound any vessel for which there are reasonable grounds to believe its cargo is prohibited. Prohibit ship-to-ship transfers of any goods supplied, sold, or transferred to or from the DPRK. Sanctions Committee may designate specific vessels for restrictions. *Exemptions*: In limited instances, case-by-case basis, it is determined that "information demonstrating that such activities are exclusively for livelihood purposes which will not be used by DPRK individuals or entities to generate revenue" and sensitive information is removed. *Further exemptions*: In limited instances, emergency purposes.
Bunkering services	Prohibit providing fuel, supplies, other bunkering servicing to DPRK vessels if reasonable grounds and information exist that they are carrying prohibited items. *Exemptions*: Humanitarian purposes, or inspection is completed and it is determined cargo constitutes "legal economic activities".

Targeted Activities	Measures To Be Taken By U.N. Member States
Travel	Prevent entry into or transit through one's territories of designated individuals; individuals acting on behalf of or at the direction of designated individuals; any individual whom a State determines is assisting in the evasion of sanctions, violating the provisions of the resolutions, working on behalf/at the direction of designated individuals; and individuals traveling for the purposes of carrying out activities related to the shipment of items for repair, servicing, refurbishing, testing, reverse-engineering, and marketing. *Exemptions*: Travel is for humanitarian need, to meet religious obligations, or would further the objectives of relevant UNSC resolutions; or presence is required to fulfill a judicial process; medical, safety, or fulfil U.N. commitments.
Assets	Freeze assets, funds, and economic resources of entities of the Government of the DPRK and Korean Workers' Party, that a Member State determines are associated with prohibited activities, including designated persons and entities, as well as any persons or entities acting on behalf of or at their direction, or those owned or controlled by them. "Assets include tangible, intangible, movable, immovable, actual or potential, which may be used to obtain funds, goods or services, such as vessels, including maritime vessels." Sanctions Committee may designate vessels to be frozen. Vessels controlled or operated by Offshore Marine Management (OMM) are explicitly subject to freeze. *Exemptions*: To meet basic expenses (food, rent, medicine, taxes, insurance, utilities, legal and banking fees); extraordinary expenses as identified by the Sanctions Committee; and satisfying a lien judgment; assets applied to DPRK's participation in U.N.; or case-by-case determinations relating to the costs of delivering humanitarian assistance, or denuclearization.
Other finances	Prevent providing financial services, including bulk cash and gold, the opening of banking subsidiaries, public financial support, new commitments for grants, and financial assistance or concessional loans that could contribute to the DPRK's prohibited programs/activities, or to the evasion of sanctions. Prohibit opening of new branches, subsidiaries, and representative offices of DPRK banks; close existing branches, subsidiaries and representative offices; and terminate joint ventures, ownership interests or correspondent banking relationships with DPRK banks. Prohibit opening new representative offices, subsidiaries, or bank accounts in the DPRK. Close existing offices, subsidiaries and banking accounts in the DPRK if there are reasonable grounds that it could contribute to DPRK's prohibited programs. Prohibit public and private financial support for trade with the DPRK, including granting of export credits, guarantees, or insurance to one's nationals, or entities involved in such trade. Prohibit the opening, maintenance, and operation of all joint ventures or cooperative entities, new or existing, with DPRK entities or individuals. Close any existing joint venture or cooperative entity within 120 days of September 11, 2017, unless approved by the committee on a case-by-case basis. *Exemptions*: Humanitarian and developmental purposes "directly addressing the needs of the civilian population, or the promotion of denuclearization"; activities under the Vienna Convention on Diplomatic Relations; or wind-down costs of closing branches. Further exemptions: Does not apply to existing China-DPRK hydroelectric power infrastructure projects or the Russia-DPRK Rajin-Khasan port and rail project, intended solely to transport Russia-origin coal.

Targeted Activities	Measures To Be Taken By U.N. Member States
Specialized teaching and training; scientific and technical cooperation	Prevent specialized teaching or training of DPRK nationals of disciplines which could contribute to the DPRK's proliferation-sensitive nuclear activities and development of nuclear weapon delivery systems, including teaching of advanced physics, advanced computer simulation and related computer sciences, geospatial navigation, nuclear engineering, aerospace engineering, aeronautical engineering, and related disciplines. Suspend scientific and technical cooperation involving persons or groups officially sponsored by or representing the DPRK except for medical exchanges. *Exemptions:* Determined on a case-by-case basis by the committee (fields of nuclear science and technology, aerospace and aeronautical engineering and technology, advanced manufacturing production techniques and methods); and determined by the engaging State and notified to the committee in advance of such determination (all other scientific or technical cooperation).
Coal, minerals, seafood, textiles, statues, new helicopters, and other sectors ban	Prohibit the DPRK from supplying, selling, transferring, directly or indirectly, of coal, iron and iron ore, gold, titanium ore, vanadium ore, copper, nickel, silver, zinc, and rare earth minerals, lead and lead ore, food and agricultural products, machinery, electrical equipment, earth and stone including magnesite and magnesia, wood and vessels. Prohibit procuring such material from the DPRK, by their nationals, or by using their flag vessels or aircraft, whether or not originating in the territory of the DPRK. Prohibit the supply, sale, or transfer to the DPRK of all industrial machinery, transportation vehicles, iron, steel, and other metals. Prohibit export of seafood from DPRK. Prohibit export of textiles from DPRK. Prohibit the supply, sale, or transfer of DPRK statuary. Prohibit the supply, sale, or transfer to DPRK of new helicopters, and new or used vessels. *Exemptions*: Only applicable to iron and iron ore: contracts had 30 days to be completed (from August 5, 2017); coal transit through the port of Rajin (Rason) requires prenotification to Sanctions Committee. *Further exemption*: Spare parts needed to maintain the safe operation of DPRK commercial civilian passenger aircraft. Case-by-case determinations by the Sanctions Committee for trade in vessels. *Exemption for seafood*: Case-by-case approval by Sanctions Committee of seafood contracts completion within 45 days of August 5, 2017. *Exemption for textiles*: Case-by-case approval by Sanctions Committee of textile contracts completion within 135 days of September 11, 2017.
Fuel ban	Prohibit selling or supplying aviation fuel, jet fuel, rocket fuel, condensates, and natural gas liquids to the DPRK. Prohibit the supply, sale, or transfer to the DPRK of all refined petroleum products in excess of the aggregate amount of 500,000 barrels during periods of 12 months beginning on January 1, 2018. Prohibit the supply, sale, or transfer of crude oil that exceeds the aggregate amounts of 4 million barrels or 525,000 tons per 12-month periods from December 22, 2017. Member States are required to report the amount of crude oil provided to the DPRK to the 1718 Committee every 90 days. *Exemptions*: Case-by-case basis determination of "verified essential humanitarian needs"; and civilian passenger aircraft outside DPRK for round-trip flights to/from DPRK. *Exemption for crude oil*: Case-by-case basis determination of crude oil shipments "which is exclusively for livelihood purposes of DPRK nationals." *Exemption for refined petroleum products*: Case-by-case basis determination of refined petroleum products shipments are "exclusively for livelihood purposes of DPRK nationals."

Targeted Activities	Measures To Be Taken By U.N. Member States
Exported labor	Prohibit providing work authorizations for DPRK nationals. Repatriate to the DPRK all DPRK nationals earning income in their jurisdiction and all DPRK government safety oversight attachés within 24 months from December 22, 2017. *Exemption*: Case-by-case determinations for delivery of humanitarian assistance, denuclearization, or other services related to the objectives of UNSC resolutions. *Further exemption*: Does not apply to contracts already finalized. *Exemption relating to repatriation*: Member state may take into account international law, including laws relating to refugees and international human rights, when considering repatriation.
Luxury goods ban	Prevent direct or indirect supply, sale, or transfer to the DPRK of luxury goods, including those items listed in Annex IV of resolution 2094 (2013), Annex IV of resolution 2270 (2016), and Annex IV of resolution 2321 (2016). *No exemptions*.

Source: U.N. Security Council 1718 Committee: https://www.un.org/sc/suborg/en/sanctions/1718. CRS edited for length.

The U.N. Sanctions Committee, originally established by UNSC Resolution 1718 (2006) and comprising representatives of each of the 15 states serving on the Security Council, to date, has designated 75 North Korean entities and 80 individuals for sanctions that target their foreign-based assets, freedom to enter into trade and contracts, and ability to travel, as required in the various resolutions. Designees appear to span a range of activities, including trade and development related to missiles, satellites, aerospace, munitions, energy, mining, space technology, shipping, and electronics. Pursuant to Resolution 1874 (2009), the U.N. Secretary-General established a Panel of Experts, with a maximum of seven experts, to analyze reports and make recommendations regarding implementation of UNSC Resolutions against North Korea.[64]

Concluding Observations

The U.S. economic sanctions imposed on North Korea exemplify both the independent and intertwined aspects of the relationship between the legislative and executive branches. Congress defers the broadest power to the President, in the National Emergencies Act and the International Emergency Economic Powers Act, to curtail trade and transactions between the United States and North Korea. Congress authorizes the President to fine-tune the relationship with North Korea for foreign policy and national security reasons with each waiver authority it incorporates into legislation. At the same time, Congress closely influences the President's choices by enacting issue-driven legislation—addressing human rights matters or proliferation concerns, for example—and by adopting North Korea-specific statutes—most particularly the North Korean Human Rights Act of 2004 (P.L. 108-333), the North Korean Human Rights Reauthorization Act of 2008 (P.L. 110-346), the North Korea Sanctions and Policy Enhancement Act of 2016 (P.L. 114-122), the Korean Interdiction and Modernization of Sanctions Act (title III of the Countering America's Adversaries Through Sanctions Act; P.L. 115-44), and the inclusion of North Korea into the Iran, North Korea, and Syria Nonproliferation Act of 2000 (P.L. 106-178).

As Congress and the President consider proposals to reform foreign aid, streamline export controls, fund defense and international programs, keep proliferation regimes relevant, assess and enter into treaties and international agreements, and participate in multilateral fora, the

[64] Full texts of the panel of experts reports can be found at https://www.un.org/sc/suborg/en/sanctions/1718/annual-reports. To date, the panel has filed 11 annual reports; the most recent filing was on December 29, 2017.

effectiveness of economic sanctions as a foreign policy and national security tool is likely to be considered. U.S. policy toward North Korea, expressed both unilaterally and in the United States' position in multilateral fora, is further complicated by other considerations—not the least of which include relations with other states in the region, security responsibilities with South Korea and Japan, trade with China, a determination to keep key stakeholders engaged in nonproliferation efforts in both North Korea and elsewhere, and finding the means to balance all U.S. foreign policy and national security interests in a meaningful way.

Appendix A. North Korea—Economic Sanctions Currently Imposed in Furtherance of U.S. Foreign Policy or National Security Objectives

Rationale	Restriction	Statutory basis [regulation]	Authority to impose	Authority to lift or waive
Comprehensive foreign policy reasons, including weapons proliferation, sanctions evasion, violation of UNSC resolutions, censorship, undermining cybersecurity	Block assets, prohibit transactions	Sec. 104, NKSPEA (22 U.S.C. 9214)	President	Mandatory designations in Sec. 104(a); discretionary designations in Sec. 104(b) President may waive for 30 days to 1 year for humanitarian purposes. President may waive for 30 days to 1 year if it is important to national security interests, furthers the enforcement of the act, or "is for an important law enforcement purpose." Sec. 401, NKSPEA (22 U.S.C. 9251) authorizes President to suspend sanctions for up to one year, renewable in 180-day increments. Sec. 402, NKSPEA (22 U.S.C. 9252) authorizes President to terminate sanctions if DPRK dismantles its nuclear and missile programs and resolves human rights issues.

Rationale	Restriction	Statutory basis [regulation]	Authority to impose	Authority to lift or waive
Comprehensive foreign policy reasons	Prohibit indirect correspondent accounts with U.S. financial institutions	Sec. 201A, NKSPEA (22 U.S.C. 9221a)	Related to Sec. 104 designations	Related to Sec. 104 designations President may waive for 30 days to 1 year for humanitarian purposes. President may waive for 30 days to 1 year if it is important to national security interests, furthers the enforcement of the act, or "is for an important law enforcement purpose." Sec. 401, NKSPEA (22 U.S.C. 9251) authorizes President to suspend sanctions for up to one year, renewable in 180-day increments. Sec. 402, NKSPEA (22 U.S.C. 9252) authorizes President to terminate sanctions if DPRK dismantles its nuclear and missile programs and resolves human rights issues.

Rationale	Restriction	Statutory basis [regulation]	Authority to impose	Authority to lift or waive
Comprehensive foreign policy reasons	Prohibits U.S. executive agency from entering into procurement contracts with Sec. 104 designees	Sec. 204, NKSPEA (22 U.S.C. 9224)	Related to Sec. 104 designations; Administrator of General Services	Related to Sec. 104 designations President may waive for 30 days to 1 year if it is important to national security interests, furthers the enforcement of the act, or "is for an important law enforcement purpose." Sec. 401, NKSPEA (22 U.S.C. 9251) authorizes President to suspend sanctions for up to one year, renewable in 180-day increments. Sec. 402, NKSPEA (22 U.S.C. 9252) authorizes President to terminate sanctions if DPRK dismantles its nuclear and missile programs and resolves human rights issues.
Comprehensive foreign policy reasons	Vessel, aircraft, or conveyance may be seized and forfeited	Sec. 206, NKSPEA (22 U.S.C. 9226) (pursuant to chapter 46 of 18 USC or part V, title IV, Tariff Act of 1930)	Related to Sec. 104 designations	Related to Sec. 104 designations President may waive for 30 days to 1 year if it is important to national security interests, furthers the enforcement of the act, or "is for an important law enforcement purpose." Sec. 401, NKSPEA (22 U.S.C. 9251) authorizes President to suspend sanctions for up to one year, renewable in 180-day increments. Sec. 402, NKSPEA (22 U.S.C. 9252) authorizes President to terminate sanctions if DPRK

Rationale	Restriction	Statutory basis [regulation]	Authority to impose	Authority to lift or waive
				dismantles its nuclear and missile programs and resolves human rights issues.
Comprehensive foreign policy reasons	Deny entry into the U.S. to designated persons, corporate officers of designees, or principal shareholders of designees	Sec. 206, NKSPEA (22 U.S.C. 9226)	Secretary of State, Secretary of Homeland Security	Related to Sec. 104 designations President may waive for 30 days to 1 year for humanitarian purposes. President may waive for 30 days to 1 year if it is important to national security interests, furthers the enforcement of the act, or "is for an important law enforcement purpose." Sec. 401, NKSPEA (22 U.S.C. 9251) authorizes President to suspend sanctions for up to one year, renewable in 180-day increments. Sec. 402, NKSPEA (22 U.S.C. 9252) authorizes President to terminate sanctions if DPRK dismantles its nuclear and missile programs and resolves human rights issues.
General foreign policy reasons	Limits the export of goods or services	Export Administration Act of 1979 (P.L. 96-72; 50 U.S.C. App. 2401 et seq.) [15 C.F.R. Part 730-774]	President, Secretary of Commerce, generally	President, Secretary of Commerce, generally
General foreign policy reasons	Limits proportionate share to international organizations which, in turn, expend funds in North Korea	Sec. 307, Foreign Assistance Act of 1961 (P.L. 87-195; 22 U.S.C. 2227)	Statutory requirement	No waiver; exemption for certain IAEA programs

Rationale	Restriction	Statutory basis [regulation]	Authority to impose	Authority to lift or waive
General foreign policy reasons	Prohibits bilateral assistance	Sec. 7007, Department of State, Foreign Operations, and Related Programs Appropriations Act, 2018 (P.L. 115-141; 132 Stat. 348)	Statutory requirement	No waiver
General foreign policy reasons	Prohibits Economic Support Funds	Sec. 7043(c), Department of State, Foreign Operations, and Related Programs Appropriations Act, 2018 (P.L. 115-141; 132 Stat. 348)	Statutory requirement	No waiver
General foreign policy reasons	Prohibits DOD funds	Sec. 8043, Department of Defense Appropriations, 2018 (division C of P.L. 115-141; 132 Stat. 348).	Statutory requirement	No waiver
Diplomatic relations severed	Prohibits most foreign aid and agricultural sales under P.L. 480	Sec. 620(t), Foreign Assistance Act of 1961 (P.L. 87-195; 22 U.S.C. 2370(t))	Statutory requirement	No waiver
National security controls, Communism	Limits the export of goods or services	Sec. 5, Export Administration Act of 1979 (P.L. 96-72; 50 U.S.C. App. 2404) [15 C.F.R. Part 730-774]	President	President
Communism	Prohibits foreign aid	Sec. 620(f), Foreign Assistance Act of 1961 (P.L. 87-195; 22 U.S.C. 2370(f))	Statutory requirement	President
Communism	Limits proportionate share to international organizations which, in turn, expend funds in North Korea	Sec. 307, Foreign Assistance Act of 1961 (P.L. 87-195; 22 U.S.C. 2227)	Statutory requirement	No waiver; exemption for certain IAEA programs
Communism	Prohibits Export-Import Bank funding to Marxist-Leninist states	Sec. 2(b)(2), Export-Import Bank Act of 1945 (P.L. 79-173; 12 U.S.C. 635(b)(2))	Statutory requirement	President

Rationale	Restriction	Statutory basis [regulation]	Authority to impose	Authority to lift or waive
Communism	Prohibits support in the IFIs	Sec. 43, Bretton Woods Agreements Act (P.L. 79-171; 22 U.S.C. 286aa)	Statutory requirement	Secretary of the Treasury
Communism	Limits the export of goods or services	Sec. 5(b), Export Administration Act of 1979 (P.L. 96-72; 50 U.S.C. App. 2404(b))	Statutory requirement	President
Communism	Denies favorable trade terms	Sec. 401, Trade Act of 1974 (19 U.S.C. 2431)	Statutory requirement	President
Nonmarket economy and emigration	Denies favorable trade terms	Sec. 402, Trade Act of 1974 (19 U.S.C. 2432)	Statutory requirement	President
Nonmarket economy and emigration	Denies favorable trade terms	Sec. 409, Trade Act of 1974 (19 U.S.C. 2439)	President	President
Communism and market disruption	Denies favorable trade terms	Sec. 406, Trade Act of 1974 (19 U.S.C. 2436)	President	President
Terrorism. Communism	Prohibits the acquisition of property in U.S. for diplomatic mission	Sec. 205, State Department Basic Authorities Act (P.L. 84-885; 22 U.S.C. 4305)	Secretary of State	Secretary of State
Cybersecurity	Blocks assets, prohibits transactions	Sec. 209, NKSPEA (22 U.S.C. 9229)	President	President may waive for 30 days to 1 year if it is important to national security interests, furthers the enforcement of the act, or "is for an important law enforcement purpose." Sec. 401, NKSPEA (22 U.S.C. 9251) authorizes President to suspend sanctions for up to one year, renewable in 180-day increments. Sec. 402, NKSPEA (22 U.S.C. 9252) authorizes President to terminate sanctions if DPRK dismantles its nuclear and

Rationale	Restriction	Statutory basis [regulation]	Authority to impose	Authority to lift or waive
				missile programs and resolves human rights issues.
Cybersecurity	Blocks assets, prohibits transactions	Sec. 210, NKSPEA (22 U.S.C. 9230) [related to Executive Order 13687 and EO 13694, as amended]	President	President Sec. 401, NKSPEA (22 U.S.C. 9251) authorizes President to suspend sanctions for up to one year, renewable in 180-day increments. Sec. 402, NKSPEA (22 U.S.C. 9252) authorizes President to terminate sanctions if DPRK dismantles its nuclear and missile programs and resolves human rights issues.
Cybersecurity	Blocks assets, prohibits transactions	Executive Order 13694 of April 1, 2015, as amended by EO 13757 of December 29, 2016	President	President
Human rights	Prohibit imports of goods made by DPRK prison labor	Sec. 302A, NKSPEA (22 U.S.C. 9241a) [related to Sec. 307, Tariff Act of 1930; 19 U.S.C. 1307]	Commissioner of U.S. Customs and Border Protection	President may waive for 30 days to 1 year if it is important to national security interests, furthers the enforcement of the act, or "is for an important law enforcement purpose." Sec. 401, NKSPEA (22 U.S.C. 9251) authorizes President to suspend sanctions for up to one year, renewable in 180-day increments. Sec. 402, NKSPEA (22 U.S.C. 9252) authorizes President to terminate sanctions if DPRK dismantles its nuclear and missile programs and resolves human rights issues.

Rationale	Restriction	Statutory basis [regulation]	Authority to impose	Authority to lift or waive
Human rights	Blocks assets, prohibitions transactions	Sec. 302B, NKSPEA (22 U.S.C. 9241b) [related to Sec. 302A, NKSPEA]	President	President may make exception for labor meeting international standards. President may waive for 30 days to 1 year if it is important to national security interests, furthers the enforcement of the act, or "is for an important law enforcement purpose." Sec. 401, NKSPEA (22 U.S.C. 9251) authorizes President to suspend sanctions for up to one year, renewable in 180-day increments. Sec. 402, NKSPEA (22 U.S.C. 9252) authorizes President to terminate sanctions if DPRK dismantles its nuclear and missile programs and resolves human rights issues.
Human rights (censorship)	Blocks assets, prohibits transactions	Sec. 304, NKSPEA (22 U.S.C. 9243) [related to Sec. 302A, NKSPEA]	President, related to Sec. 104, NKSPEA	President President may waive for 30 days to 1 year if it is important to national security interests, furthers the enforcement of the act, or "is for an important law enforcement purpose." Sec. 401, NKSPEA (22 U.S.C. 9251) authorizes President to suspend sanctions for up to one year, renewable in 180-day increments. Sec. 402, NKSPEA (22 U.S.C. 9252) authorizes President to terminate sanctions if DPRK

Rationale	Restriction	Statutory basis [regulation]	Authority to impose	Authority to lift or waive
				dismantles its nuclear and missile programs and resolves human rights issues.
Terrorism	Limits the export of goods and services	Sec. 6(j), Export Administration Act of 1979 (P.L. 96-72; 50 U.S.C. 2504(j))	Secretary of State	Secretary of State, after the President notifies Congress
Terrorism	Prohibits licenses for arms exports/imports	Sec. 38, Arms Export Control Act (P.L. 90-629; 22 U.S.C. 2778) [22 CFR Part 126.1; 27 CFR Part 447.52]	Secretary of State	Secretary of State
Terrorism	Prohibits transactions related to defense articles and defense services	Sec. 40, Arms Export Control Act (P.L. 90-629; 22 U.S.C. 2780)	Secretary of State	Secretary of State, after the President notifies Congress. President may waive on a case-by-case basis. Congress may block a rescission by joint resolution.
Terrorism, failure to cooperate with U.S. efforts	Prohibits transactions related to defense articles and defense services	Sec. 40A, Arms Export Control Act (P.L. 90-629; 22 U.S.C. 2781)	President	President, at annual review, or waived by the President if he finds it "important to the national interests of the United States."
Terrorism	Prohibits most aid under the Foreign Assistance Act of 1961, Agricultural Trade Development and Assistance Act of 1954, Peace Corps Act, and Export-Import Bank Act of 1945	Sec. 620A, Foreign Assistance Act of 1961 (P.L. 87-195; 22 U.S.C. 2371)	Secretary of State	Secretary of State, after the President notifies Congress. President may waive if he finds "that national security interests of humanitarian reasons justify a waiver."
Terrorism	Prohibits imports	Sec. 505, International Security and Development Cooperation Act of 1985 (P.L. 99-83; 22 U.S.C. 2349aa-9)	President	President

Rationale	Restriction	Statutory basis [regulation]	Authority to impose	Authority to lift or waive
Terrorism	Denies Export-Import Bank financing	Sec. 2(b)(1)(B), Export-Import Bank Act of 1945 (P.L. 79-173; 12 U.S.C. 635(b)(1)(B))	President	President
Terrorism	Opposes loans or funding through international financial institutions	Sec. 1621, International Financial Institutions Act (P.L. 95-118; 22 U.S.C. 262p-4q)	Secretary of the Treasury, if a country is listed under §6(j), EAA, or §620A, FAA'61.	Secretary of the Treasury (no waiver authority)
Terrorism	Opposes loans or funding through the International Monetary Fund	Sec. 6, Bretton Woods Agreements Act Amendments of 1978 (P.L. 95-435; 22 U.S.C. 286e-11)	Secretary of the Treasury, if a country is listed under §6(j), EAA, or §620A, FAA'61.	Secretary of the Treasury (no waiver authority)
Terrorism	Prohibits bilateral assistance	Sec. 7027, Department of State, Foreign Operations, and Related Programs Appropriations, 2018 (division K, P.L. 115-141)	Statutory requirement	No waiver
Terrorism	Limits export licensing for food and medicine; prohibits government financing for such exports	Secs. 906, 908 Trade Sanctions Reform Act of 2000 (P.L. 106-387; 22 U.S.C. 7205, 7207)	Statutory requirement	President, based on national security interests or humanitarian reasons
Terrorism	Limits provision of services to security forces, law enforcement, military, intelligence community	Sec. 40, State Department Basic Authorities Act (P.L. 84-885; 22 U.S.C. 2712)	Secretary of State	Secretary of State
Terrorism, excessive military expenditure, human rights violations	Prohibits the cancellation or reduction of certain debt	Sec. 501, Miscellaneous Appropriations, 2000 (H.R. 3425, enacted by reference in P.L. 106-113; 22 U.S.C. 2395a note)	Statutory requirement	President
National emergency, proliferation of weapons of mass destruction	Blocks assets of named proliferators of weapons of mass destruction	International Emergency Economic Powers Act (P.L. 95-223; esp. at 50 U.S.C. 1702); National Emergencies Act (P.L. 94-412; 50 U.S.C. 1601 et seq.)	President [Executive Order 13382, June 28, 2005; 50 U.S.C. 1701 note]	President

Rationale	Restriction	Statutory basis [regulation]	Authority to impose	Authority to lift or waive
National emergency	Prohibits imports, exports, transactions related to transportation	International Emergency Economic Powers Act (P.L. 95-223; esp. at 50 U.S.C. 1702); National Emergencies Act (P.L. 94-412; 50 U.S.C. 1601 et seq.) [31 C.F.R. Part 510]	President [Executive Order 13466, June 26, 2008; 50 U.S.C. 1701 note]	President
National emergency, proliferation of weapons of mass destruction, attack of the *Cheonan*, nuclear detonations, missile launches, violation of UNSCR resolutions, counterfeiting of goods and currency, money laundering, smuggling, narcotics trafficking, destabilizing the region	Blocks assets of, and transactions with or on behalf of, named entities	International Emergency Economic Powers Act (P.L. 95-223; esp. at 50 U.S.C. 1702); National Emergencies Act (P.L. 94-412; 50 U.S.C. 1601 et seq.) Sec. 5, United Nations Participation Act of 1945 (P.L. 79-264; 22 U.S.C. 287c) [31 C.F.R. Part 510]	President [Executive Order 13551, August 30, 2010; 50 U.S.C. 1701 note] [expands on the national emergency declared in E.O. 13466]	President
National emergency, to ensure implementation of import restrictions agreed to in the U.N. Security Council	"Except to the extent provided in statutes or in licenses, regulations, orders, or directives that may be issued pursuant to this order…" prohibits "importation into the United States, directly or indirectly, of any goods, services, or technology from North Korea"	International Emergency Economic Powers Act (P.L. 95-223; esp. at 50 U.S.C. 1702); National Emergencies Act (P.L. 94-412; 50 U.S.C. 1601 et seq.) Sec. 5, United Nations Participation Act of 1945 (P.L. 79-264; 22 U.S.C. 287c)	President [Executive Order 13570, April 18, 2011; 50 U.S.C. 1701 note] [expands on the national emergency declared in E.O. 13466]	President
National emergency, provocative, destabilizing, and repressive actions of DPRK, including cyber-related actions; violation of UNSC resolutions; human rights abuses	Prohibits transactions with and blocks assets of any entity of the Government of North Korea or the Workers' Party of Korea	International Emergency Economic Powers Act (P.L. 95-223; esp. at 50 U.S.C. 1702); National Emergencies Act (P.L. 94-412; 50 U.S.C. 1601 et seq.) Immigration and Nationality Act of 1952 (8 U.S.C. 1182(f))	President [Executive Order 13687 of January 2, 2015; 50 U.S.C. 1701 note] [expands on the national emergency declared in E.O. 13466]	President

Rationale	Restriction	Statutory basis [regulation]	Authority to impose	Authority to lift or waive
National emergency, nuclear weapons and missile programs	Prohibits transactions with and blocks assets of any entity of the Government of North Korea or the Workers' Party of Korea. Prohibits transactions with and blocks assets of any person found to engage in or facilitate any of the following activities to the benefit of the Government of North Korea or the Workers' Party of North Korea: (i) operate an entity in North Korea's transportation, mining, energy, or financial services sector; (ii) transactions related to metal, graphite, coal, or software; (iii) human rights violations; (iv) exporting of workers from North Korea; (v) significant activities undermining cybersecurity; (vi) censorship; (vii) materially supported a blocked person or entity; (viii) owned by a blocked person or entity; and (ix) attempt to engage in any of the above restricted activities. Prohibits all exportation from the United States to North Korea. Prohibits new investment in North Korea by a U.S. person. Prohibits financing or guarantee by a U.S. person for	International Emergency Economic Powers Act (P.L. 95-223; esp. at 50 U.S.C. 1702); National Emergencies Act (P.L. 94-412; 50 U.S.C. 1601 et seq.) Sec. 5, United Nations Participation Act of 1945 (P.L. 79-264; 22 U.S.C. 287c) North Korea Sanctions and Policy Enhancement Act of 2016 (P.L. 114-122; 22 U.S.C. 9201 et seq.) Immigration and Nationality Act of 1952 (8 U.S.C. 1182(f))	President [Executive Order 13722 of March 15, 2016; 50 U.S.C. 1701 note] [expands on the national emergency declared in E.O. 13466] ["in view of UNSC Resolution 2270 of March 2, 2016"]	President

Rationale	Restriction	Statutory basis [regulation]	Authority to impose	Authority to lift or waive
	a foreign person to engage in any of the above-restricted activities.			
National emergency, nuclear weapons and missile programs	Authorizes the Treasury Secretary to designate for sanctions anyone who • operates in "construction, energy, financial services, fishing, information technology, manufacturing, medical, mining, textiles, or transportation industries in North Korea"; • owns or controls a DPRK port—sea, air, or land; • Engages "in at least one significant importation from or exportation to North Korea"; • Is a North Korean person; • Is a North Korean person who raises revenues for the DPRK government or the Workers' Party; • Evades sanctions. Prohibits any aircraft or vessel (that has any foreign ownership) that has landed or entered a port in the DPRK to enter the US within 180 days. Fully blocks any funds that arrive in the US that originate from, are destined for, or pass through, a foreign account that is owned or controlled by a DPRK person, or any account that has been used to transfer	International Emergency Economic Powers Act (P.L. 95-223; esp. at 50 U.S.C. 1702); National Emergencies Act (P.L. 94-412; 50 U.S.C. 1601 et seq.) Sec. 5, United Nations Participation Act of 1945 (P.L. 79-264; 22 U.S.C. 287c) Immigration and Nationality Act of 1952 (8 U.S.C. 1182(f))	President [Executive Order 13810 of September 20, 2017; 50 U.S.C. 1701 note] [expands on the national emergency declared in E.O. 13466] ["in view of UNSC Resolution 2321 of November 30, 2016, UNSCR 2356 of June 2, 2017, UNSCR 2371 of August 5, 2017, and UNSCR 2375 of September 11, 2017"]	President

Rationale	Restriction	Statutory basis [regulation]	Authority to impose	Authority to lift or waive
	funds in which a DPRK person has an interest. Prohibits a US person from facilitating in any way such a transaction. Targets foreign financial institutions—those that conduct transactions on behalf of anyone designated for sanctions, transactions related to DPRK trade. Such institutions are denied access to the US banking system (no correspondent accounts or payable-through accounts), their US-based assets and property are blocked.			
Proliferation of weapons of mass destruction: missiles	Restricts export licenses, withholds foreign assistance	Sec. 203, NKSPEA (22 U.S.C. 9223)	Department of Commerce, President, Secretary of State	Secretary of State, if in the national interest Sec. 401, NKSPEA (22 U.S.C. 9251) authorizes President to suspend sanctions for up to one year, renewable in 180-day increments. Sec. 402, NKSPEA (22 U.S.C. 9252) authorizes President to terminate sanctions if DPRK dismantles its nuclear and missile programs and resolves human rights issues.
Proliferation of weapons of mass destruction: missiles	Prohibits entry into U.S. waters or ports of any vessel that has, within 180 days, entered into port of designated territories (including DPRK)	Sec. 16, Ports and Waterways Safety Act (33 U.S.C. 1232c, as added by Sec. 315(a) of the KIMS Act)	Secretary of State	No waiver

Rationale	Restriction	Statutory basis [regulation]	Authority to impose	Authority to lift or waive
Proliferation of weapons of mass destruction: missiles	Prohibits a range of transactions—U.S. Government contracts, export licenses, imports into United States	Sec. 73, Arms Export Control Act (P.L. 90-629; 22 U.S.C. 2797b)	President	President
Proliferation of weapons of mass destruction: nuclear enrichment transfers	Prohibits foreign aid, military aid	Sec. 101, Arms Export Control Act (P.L. 90-629; 22 U.S.C. 2799aa)	President	President
Proliferation of weapons of mass destruction: nuclear reprocessing transfers, nuclear detonations	Prohibits foreign aid (except humanitarian), military aid, USG defense sales and transfers, export licenses for USML goods and services, U.S. Government-backed credits, support in the international banks, agricultural credits or financing, U.S. commercial bank financing, licenses for export of certain goods and services	Sec. 102, Arms Export Control Act (P.L. 90-629; 22 U.S.C. 2799aa-1)	President	President
Proliferation of weapons of mass destruction: nuclear detonations	Prohibits Export-Import Bank financing	Sec. 2(b)(4) of the Export-Import Bank Act of 1945 (P.L. 79-173; 12 U.S.C. 635(b)(4))	Statutory requirement	President
Proliferation of weapons of mass destruction: nuclear detonations	Prohibits Export-Import Bank financing	Title VI of the Department of State, Foreign Operations, and Related Programs Appropriations Act, 2018 (Division K, P.L. 115-141; 132 Stat. 348)	Statutory requirement	No waiver
Proliferation of weapons of mass destruction: missiles	Prohibits a range of transactions—contracts, export licenses, imports into U.S.	Sec. 11B, Export Administration Act (P.L. 96-72; 50 U.S.C. App. 2410b)	President	President
Proliferation of weapons of mass destruction	Prohibits a range of transactions—arms sales and	Sec. 3, Iran, North Korea, and Syria Nonproliferation Act of	President	President

Rationale	Restriction	Statutory basis [regulation]	Authority to impose	Authority to lift or waive
	exports, dual-use exports, procurement contracts, assistance, imports, support in the international banks, credit, landing rights	2000 (P.L. 106-178; 50 U.S.C. 1701 note)		
Human rights (trafficking in persons)	Prohibits nonhumanitarian foreign aid, cultural exchanges, support in international financial institutions	Sec. 110, Trafficking Victims Protection Act of 2000 (P.L. 106-386; 22 U.S.C. 7107)	President	President, waiver if in the national interest
Counterfeiting, money-laundering	Prohibits certain commercial bank transactions	31 U.S.C. 5318A (generally referred to by its amendatory vehicle—Sec. 311, USA PATRIOT Act) (See also Sec. 201(c), NKSPEA)	Secretary of the Treasury (delegated to Financial Crimes Enforcement Network (FinCEN), which declared DPRK as a "primary jurisdiction of money laundering concern" effective June 2, 2016 (final rule entered into effect December 9, 2016).	Secretary of the Treasury

Source: Congressional Research Service.

Notes: NKSPEA = North Korea Sanctions and Policy Enhancement Act of 2016 (P.L. 114-122; 22 U.S.C. 9201 et seq.), as amended.

Appendix B. DPRK Sanctions: Comparison of U.N. Security Council Requirements and U.S. Sanctions

Acronyms and terms are defined in notes following the table

	U.N. Security Council Resolution Requirements	U.S. Law	Executive Order
FINANCIAL SERVICES	UNSCR 1874 (2009) prohibits providing **financial services** that could contribute to DPRK's nuclear-, missile-, or WMD-related programs. UNSCR 1874 (2009) "calls on" member states not to enter into **new financial commitments for aid or loans, including "public financial support for trade"** to DPRK. UNSCR 2087 (2013) "calls on" member states to exercise vigilance on those within their jurisdictions working on behalf of **DPRK financial institutions and their branches, representatives, and subsidiaries**. UNSCR 2087 (2013) "calls on" member states to exercise vigilance relating to the use of **bulk cash** to evade sanctions. UNSCR 2094 (2013) expands the list of prohibited military-use goods, and prohibits "**brokering or intermediary services**, including...arranging for the provision, maintenance, or use of prohibited items...or the supply, sale, or transfer to or exports from other states." UNSCR 2094 (2013) "calls on" member states to prohibit financial institutions from opening **offices or subsidiaries in DPRK** if such offices would benefit DPRK's weapons programs. UNSCR 2094 (2013) prohibits providing "**public financial support for trade**" to DPRK if such aid would benefit DPRK's weapons programs. UNSCR 2270 (2016) prohibits the **opening and operation of new branches, subsidiaries, and representative offices of DPRK banks**.	Sec. 104(b)(1)(F), NKSPEA, as amended, authorizes (but does not require) the President to designate any person who **transfers funds** in violation of UNSC requirements. Sec. 104(b)(1)(N), NKSPEA, as amended, authorizes (but does not require) the President to designate any person who **facilitates operations of any DPRK financial institution**. Sec. 201(b), NKSPEA requires the President to determine whether DPRK is a "jurisdiction of primary **money laundering** concern." [Such a determination was made in June 2016.] Sec. 104(a)(6), NKSPEA, requires President to designate any person who engages in **bulk money laundering, bulk cash smuggling, or narcotics trafficking** that supports the DPRK government.	EO 13466 (2008) prohibits any transaction by a U.S. person the purpose of which is to **evade sanctions.** EO 13551 (2010) blocks the assets of specific DPRK individuals and entities, pursuant to emergency authorities and requirements of UNSCRs 1718 (2006) and 1874 (2009). Also blocks assets of anyone found to: --engage in **arms trade** with DPRK; --**provide training, advice, or other services** related to arms manufacture, maintenance, or use; --trade in **luxury goods**; --engage in **money laundering, counterfeiting of goods or currency, trafficked in bulk cash, narcotics or other illicit economic activity**; or --engage in **sanctions evasion**. EO 13722 (2016) blocks property in the US of and

U.N. Security Council Resolution Requirements	U.S. Law	Executive Order
UNSCR 2270 (2016) prohibits **new joint ventures, ownership, or correspondent relationships with DPRK banks**. UNSCR 2270 (2016) requires member states to **terminate joint ventures, ownership, or correspondent relationships** with, and close existing branches, subsidiaries, and representative offices **of, DPRK banks**. UNSCR 2270 (2016) prohibits the opening of **new representative offices, branches, or banking accounts in DPRK**. UNSCR 2270 (2016) requires the **closing of existing representative offices, branches, or banking accounts in DPRK**, if there is credible information that the accounts and services contribute to DPRK's weapons programs. UNSCR 2270 (2016) prohibits **public and private financial support for trade** with DPRK (e.g., export credits, guarantees, insurance) where such support could contribute to DPRK's weapons programs. UNSCR 2270 (2016) prohibits transfers of **gold** to or from DPRK. UNSCR 2270 (2016) "calls on" member states to use **targeted sanctions** to curtail the financing of DPRK's weapons programs, following guidelines of the Financial Action Task Force (FATF).[a] UNSCR 2321 (2016) requires member states to limit **bank accounts of DPRK diplomatic missions** to one, and one per accredited diplomat and consular officer. UNSCR 2321 (2016) prohibits DPRK from **using consular property** in member states for other than diplomatic or consular activities (no commerce permitted). UNSCR 2321 (2016) prohibits the providing of **insurance** to DPRK vessels.	Sec. 104(b)(1)(G), NKSPEA, as amended, authorizes (but does not require) the President to designate any person who **facilitates transfers bulk** cash, precious metals, gems, other valuables not already covered. Sec. 104(a)(14), NKSPEA, as amended, requires President to designate any person who maintains a **correspondent account** for a DPRK financial institution. Sec. 201A, NKSPEA, as amended, prohibits **indirect correspondent accounts**.	person or entity that operates in any **industry in the DPRK economy, "such as transportation, mining, energy, or financial services**." In addition, EO 13722 blocks assets of anyone who: --trades in **metal, graphite, coal, or software**, with the government of DPRK or the Workers' Party; --engages in or facilitates **human rights abuses i**n DPRK; --**exports labor** from DPRK; --engages in or facilitates undermining **cybersecurity** on behalf of DPRK; --engages in or facilitates **censorship**; --engages in sanctions evasion; or --attempts to engage in any of these behaviors. In addition, the Order prohibits all **export** from the US to DPRK; **new investment** in DPRK; and **financing, facilitation, or guarantee** of a transaction by a US person for a prohibited transaction or designee. EO 13810 of September 20,

	U.N. Security Council Resolution Requirements	U.S. Law	Executive Order
	UNSCR 2397 (2017) prohibits the providing of **insurance** to any DPRK vessel for which there are reasonable grounds that it is violating UNSC requirements. UNSCR 2321 (2016) requires member states to close **representative offices, subsidiaries, and banking accounts in DPRK**. UNSCR 2321 (2016) prohibits **private and public financing for trade** within DPRK. UNSCR 2321 (2016) "calls on" member states to be alert to **bulk cash** used to evade sanctions. UNSCR 2371 (2017) prohibits the opening of **new, or expanding existing, joint ventures** or cooperative entities with DPRK entities or individuals. UNSCR 2371 (2017) prohibits the use of **financial services to clear funds** for DPRK entities. Broadens the application of the term "banks" to include any entity that provides a financial service.		2017, blocks any funds that arrive in the US that originate from, are destined for, or pass through, a **foreign account that is owned or controlled by a DPRK person**, or any account that has been used to transfer funds in which a DPRK person has an interest. Prohibits a US person from facilitating in any way such a transaction. EO 13810 of September 20, 2017, targets **foreign financial institutions**—those that conduct transactions on behalf of anyone designated for sanctions, transactions related to DPRK trade. Such institutions are denied access to the US banking system (no correspondent accounts or payable-through accounts), their US-based assets and property are blocked.
ARMS AND RELATED MATERIEL EMBARGO	UNSCR 1718 (2006) **prohibits supply, sale, or transfer** to DPRK of battle tanks, armored combat vehicles, artillery systems, combat aircraft, attack helicopters, warships, missiles, or missile systems, or related spare parts. The measure also prohibits DPRK from exporting such goods. UNSCR 1874 (2009) expands the above list of prohibited goods, and to prohibit financial transactions related to such trade. UNSCR 2087 (2013) expands the above list of prohibited goods.	Secs. 2, 38, 40, 42, 71, AECA (general authorities governing **arms trade**) Sec. 104(a)(1), NKSPEA, requires President to designate any person who trades in **goods or services** that	The U.S. maintains a prohibition on trading in **arms and related material** with DPRK in regulations—22 CFR Part 120-130 (See, especially, 22 CFR Part 126; State Department International Traffic in Arms

	U.N. Security Council Resolution Requirements	U.S. Law	Executive Order
	UNSCR 2094 (2013) expands the above list of prohibited goods. UNSCR 2270 (2016) expands the above list of prohibited goods. UNSCR 2321 (2016) expands the above list of prohibited goods. UNSCR 2321 (2016) requires the Sanctions Committee to adopt a "**conventional arms dual-use list**" for prohibited goods. UNSCR 2371 (2017) requires the Sanctions Committee to expand the list of prohibited goods, including additional conventional arms-related items. UNSCR 2375 (2017) expands the list of prohibited goods to include additional dual-use goods, conventional arms-related items, and other materials.	benefit DPRK's weapons programs. Sec. 104(a)(9), NKSPEA, requires President to designate any person who trades in **arms or related materiel** to or from DPRK. Sec. 203(a), NKSPEA, requires DPRK to be treated as a **state sponsor of international terrorism** to the extent it impedes the export of U.S. **dual-use goods and services, and munitions**. Sec. 203(b), NKSPEA, as amended, requires the President to withhold foreign aid to third countries that provide DPRK defense articles and defense services.	Regulations), based primarily on AECA authorities; and 15 CFR Part 700-799 (see, especially, 15 CFR Part 746.4; Department of Commerce Export Administration Regulations), based primarily on EAA. EO 13551 (2010) **blocks the assets** of specific DPRK individuals and entities, pursuant to emergency authorities and requirements of UNSCRs 1718 (2006) and 1874 (2009). Also blocks assets of anyone found to: --engage in **arms trade** with DPRK; --provide training, advice, or other services related to arms manufacture, maintenance, or use; --trade in luxury goods; --engage in money laundering, counterfeiting of goods or currency, trafficked in bulk cash, narcotics or other illicit economic activity; or --engage in sanctions evasion.
NON-PROLIFERATION AND PROLIFERATION NETWORKS	UNSCR 1718 (2006) prohibits **supply, sale, or transfer to DPRK of specific items, materials, equipment, goods, and technology** related to nuclear, ballistic missile, or other WMD-related program. The measure also prohibits DPRK from exporting such goods.	Sec. 2, 3, Iran, North Korea, Syria Non-proliferation Act, authorizes the President to block assets of and transactions with any foreign person designated as having	See arms embargo regulations, above.

	U.N. Security Council Resolution Requirements	U.S. Law	Executive Order
		transferred goods, services, or technology related to certain weapons programs of Iran, Syria, or North Korea.	
	UNSCR 1874 (2009) expands the above list of prohibited goods and prohibits financial transactions related to such trade. UNSCR 2087 (2013) expands the above list of prohibited goods. UNSCR 2094 (2013) expands the above list of prohibited goods. UNSCR 2270 (2016) expands the above list of prohibited goods. UNSCR 2321 (2016) expands the above list of prohibited goods.		
INTERDICTION, INSPECTION, AND TRANSPORTATION (See also "Helicopters and Vessels (including aircraft, landing and flyover rights, port use)," below)	UNSCR 1718 (2006) "calls on" member states to inspect **cargo to/from DPRK**, "as necessary".	Sec. 104(b)(1)(M), NKSPEA, as amended, authorizes (but does not require) the President to designate any person who engages in **transactions in DPRK's transportation, mining, energy, or financial services sectors**.	EO 13722 (2016) blocks property in the US of and person or entity that operates in any industry in the DPRK economy, "such as **transportation, mining, energy, or financial services**." EO 13810 of September 20, 2017, authorizes sanctions on anyone who operates in **construction, energy, financial services, fishing, information technology, manufacturing, medical, mining, textiles, or transportation industries** in the DPRK.
	UNSCR 1874 (2009) expands this to "call on" states to **inspect all cargo to/from DPRK, including seaports and airports**. UNSCR 2094 (2013) requires member states to inspect all cargo transiting their		

	U.N. Security Council Resolution Requirements	U.S. Law	Executive Order
	territory that originates in or is destined for DPRK "if the State concerned has credible information" that the cargo is prohibited under earlier resolutions. **Any vessel that resists inspection shall be denied entry**. UNSCR 2094 (2013) "calls on" member states to **deny permission to aircraft** to take off, land, or fly over if the aircraft is suspected of carrying prohibited cargo. UNSCR 2270 (2016) requires member states to inspect all cargo transiting airports, seaports, and free trade zones that is headed to/from DPRK, or has been **brokered by a DPRK national, or is carried on a DPRK-flagged vessel**. UNSCR 2321 (2016) expands the definition of "cargo," and thus subject to inspection, to include **personal luggage and checked bags**. UNSCR 2321 (2016) adds **"rail" and "road"** to the list of transit means to be inspected.		
	UNSCR 2371 (2017) authorizes the Sanctions Committee to **designate additional vessels** to be subject to sanctions—assets freeze, seizure, **denial of entry into port**. UNSCR 2375 (2017) directs the 1718 Committee to **designate vessels** transporting prohibited items from DPRK. UNSCR 2397 (2017) requires member states to **de-register any vessel** for which there are reasonable grounds that it violates UNSC requirements. Prohibits a state from registering a vessel that has been de-registered by another. UNSCR 2397 (2017) requires member states to **seize, inspect, and impound any vessel** in their jurisdiction for which there are reasonable grounds that it violates UNSC requirements	Sec. 16, Ports and Waterways Safety Act, as amended by KIMS Act, **denies entry into U.S. ports** to any foreign vessel designated as noncompliant with UNSC resolutions.	EO 13810 of September 20, 2017 authorizes sanctions on anyone who owns or controls a **DPRK port—sea, air, or land**.
BUNKERING SERVICES (PROVIDING FUEL, SUPPLIES, or SERVICING)	UNSCR 1874 (2009) prohibits the providing of **bunkering services to vessels** suspected of carrying prohibited cargo.	Sec. 104(a)(12), NKSPEA, as amended, requires President to designate any person who provides	

	U.N. Security Council Resolution Requirements	U.S. Law	Executive Order
		bunkering services to vessels from DPRK.	
	UNSCR 2270 (2016) prohibits selling or supplying **aviation fuel, gasoline, jet fuels, rocket fuels**, to DPRK.	Sec. 104(a)(11), NKSPEA, as amended, requires President to designate any person who trades in various **aviation, jet, and rocket fuels** to DPRK.	
	UNSCR 2321 (2016) "calls on" member states to provide no more **aviation fuel** than is required for a "margin for safety of flight".		
	UNSCR 2375 (2017) requires a full ban on the supply, sale, or transfer of **all condensates and natural gas liquids** to DPRK.		
ASSETS FREEZE	UNSCR 1718 (2006) **freezes funds, financial assets, and economic resources** of those designated by the Sanctions Committee or Security Council for supporting DPRK's nuclear-, missile-, or WMD-related programs.	National Emergencies Act; International Emergency Economic Powers Act	EO 13466 (2008) **blocks all property and interests in property of DPRK that was blocked as of June 16, 2000, and remained blocked as of June 26, 2008** (in effect, grandfathering in sanctions in place under TWEA authorities).
	UNSCR 1874 (2009) authorizes each member state to **freeze funds, financial assets**, and economic resources if the member state finds them to be supporting DPRK's nuclear-, missile-, or WMD-related programs.	Sec. 104(a)(4), NKSPEA, requires President to designate any person who engages in **censorship** by the DPRK government.	
	UNSCR 2094 (2013) requires each member state to freeze funds, financial assets, and economic resources if the member state finds them to be trading in **bulk cash, evading sanctions, or supporting DPRK's nuclear-, missile-, or WMD-related programs**.	Sec. 104(a)(5), NKSPEA, requires President to designate any person who engages in **human rights abuses** by the DPRK government.	EO 13551 (2010) **blocks the assets** of specific DPRK individuals and entities, pursuant to emergency authorities and requirements of UNSCRs 1718 (2006) and 1874 (2009). Also blocks assets of anyone found to:
	UNSCR 2270 (2016) **defines assets** to include economic resources "of every kind, tangible or intangible, movable or immovable, actual or potential...including **vessels**...."	Sec. 104(a)(7), NKSPEA, requires President to designate any person who engages in **undermining cyber security** on behalf of the DPRK government. Sec.	--engage in **arms trade** with DPRK;
	UNSCR 2270 (2016) requires the **closing of representative offices** of designated entities.		--provide **training, advice, or other**

	U.N. Security Council Resolution Requirements	U.S. Law	Executive Order
	UNSCR 2270 (2016) requires the **freezing of assets of the DPRK government or Workers' Party of Korea**. UNSCR 2321 (2016) freezes any **vessel** (as an asset) found by the Sanctions Committee to be engaged in DPRK's weapons programs.	209(b) of that Act also requires the President to designate any person who **undermines cybersecurity through the use of computer networks or systems** against foreign persons, governments, or other entities on behalf of the DPRK government. Sec. 104(c), NKSPEA requires the President to block the **assets and prohibit transactions with the DPRK government or Workers' Party of Korea**. Sec. 304(b), NKSPEA, requires the President to impose sanctions on anyone identified in a report required by the section who engages in **human rights abuses or censorship**.	**services** related to arms manufacture, maintenance, or use; --trade in **luxury goods**; --engage in **money laundering, counterfeiting of goods or currency, trafficked in bulk cash, narcotics or other illicit economic activity**; or --engage in **sanctions evasion**. EO 13722 (2016) blocks property in the US of and person or entity that operates in any industry in the DPRK economy, "such as **transportation, mining, energy, or financial services**." In addition, EO 13722 blocks assets of anyone who: --trades in **metal, graphite, coal, or software**, with the government of DPRK or the Workers' Party; --engages in or facilitates **human rights abuses** in DPRK; --**exports labor** from DPRK; --engages in or facilitates **undermining cybersecurity** on behalf of DPRK; --engages in or facilitates **censorship**;

	U.N. Security Council Resolution Requirements	U.S. Law	Executive Order
			--engages in **sanctions evasion**; or --attempts to engage in any of these behaviors. In addition, the Order prohibits all **export from the US to DPRK; new investment in DPRK; and financing, facilitation, or guarantee of a transaction** by a US person for a prohibited transaction or designee. EO 13687 (2015) freezes assets in the U.S. of **instrumentalities, agencies, controlled entities, or officials of the DPRK government or Workers' Party of Korea**. EO 13722 (2016) freezes **assets in the U.S. of the DPRK government or Workers' Party of Korea.**
TRAVEL BAN (includes diplomatic entry)	UNSCR 1718 (2006) **prohibits travel of those designated (and their family members)** by the Sanctions Committee or Security Council for supporting DPRK's nuclear-, missile-, or WMD-related programs.	Immigration and Nationality Act (8 USC 1102). Sec. 206, NKSPEA, authorizes the Secretary of State to **deny entry into the U.S. of any designated person**, corporate official of a designee, or	

	U.N. Security Council Resolution Requirements	U.S. Law	Executive Order
		shareholder of a designee.	
	UNSCR 2094 (2013) applies the visa denial to those **evading sanctions,** and requires the expulsion of DPRK nationals who are found to be in violation of relevant UNSCRs.		
	UNSCR 2094 (2013) "calls on" member states to prohibit DPRK's **diplomats** from benefiting from sanctions evasion.		[Article 9, Section 1 of the Vienna Convention on Diplomatic Relations authorizes member states to expel foreign diplomats.][b]
	UNSCR 2270 (2016) approves of member states **expelling DPRK diplomats** if they are found to be working on behalf of a designated entity or person, or assisting in sanctions evasion.		Vienna Convention.
	UNSCR 2270 (2016) approves of member states **expelling foreign nationals** if they are found to working on behalf of a designated entity or person, or assisting in sanctions evasion.		
	UNSCR 2270 (2016) requires member states to expel **DPRK nationals who are representatives of designated entities.**		
	UNSCR 2321 (2016) requires member states to **reduce DPRK diplomatic staff** numbers in their states.		Vienna Convention.
	UNSCR 2321 (2016) requires member states to restrict travel to or through their states of **DPRK government officials, and DPRK military**, if such individuals are associated with DPRK's weapons programs.		
	UNSCR 2321 (2016) requires member states to expel any **foreign national working for a DPRK bank or financial institution**.		
SPECIALIZED TRAINING AND TEACHING	UNSCR 1718 (2006) prohibits the providing of **training or assistance** to DPRK related to a wide range of arms and material with military applications, specific items, materials, equipment, goods, and technology related to nuclear, ballistic missile, or other WMD-related program. UNSCR 1874 (2009) expands the above list of prohibited goods, and to prohibit	Sec. 104(a)(2), NKSPEA, requires President to designate any person who provides **training, advice, or other services or assistance** related to DPRK's weapons programs.	EO 13551 (2010) blocks the assets of specific DPRK individuals and entities, pursuant to emergency authorities and requirements of UNSCRs 1718 (2006) and 1874 (2009). Also blocks

	U.N. Security Council Resolution Requirements	U.S. Law	Executive Order
	financial transactions related to such training or assistance. UNSCR 1874 (2009) "calls on" member states to be vigilant about teaching DPRK nationals in disciplines related to nuclear and missile proliferation. UNSCR 2087 (2013) expands the above list of prohibited goods and prohibits financial transactions related to such training or assistance. UNSCR 2270 (2016) clarifies that the training ban adopted in 2009 includes a prohibition on **hosting trainers, advisors, or other officials related to military training.** UNSCR 2270 (2016) prohibits specialized teaching or training of DPRK nationals that could contribute to DPRK's WMD programs. **Names specific fields of study.** UNSCR 2321 (2016) expands the ban on specialized teaching or training.		assets of anyone found to: --engage in arms trade with DPRK; --**provide training, advice, or other services related to arms manufacture, maintenance, or use;** --trade in luxury goods; --engage in money laundering, counterfeiting of goods or currency, trafficked in bulk cash, narcotics or other illicit economic activity; or --engage in sanctions evasion.
SCIENTIFIC AND TECHNICAL COOPERATION	UNSCR 2321 (2016) suspends scientific and technical cooperation with DPRK except for medical exchanges, unless the Sanctions Committee determines such cooperation does not contribute to DPRK's weapons programs.		
TRADE BAN ON NATURAL RESOURCES	UNSCR 2270 (2016), as amended by UNSCR 2321 (2016), and further amended by UNSCR 2371 (2017), prohibits trade in **DPRK coal, iron, or iron ore; ends contracts extending beyond 30 days from the adoption of the 2017 resolution; and eliminates the caps and "livelihood purposes" exceptions relating to coal** stated in previous resolutions.	Sec. 104(a)(8), NKSPEA, requires President to designated any person who trades in **precious metals, graphite, raw metals, aluminum, steel, coal, software**, related to DPRK's weapons programs, the Workers' Party, armed forces, internal security or intelligence activities, prison or forced labor. Sec. 104(b)(1)(D), NKSPEA, as amended, authorizes (but	EO 13570 (2011) prohibits **importation into the United States from DPRK of any goods, services, or technology**. See EO 13722 (2016), above. EO 13810 of September 20, 2017, authorizes sanctions on anyone who engages in "at least one significant **importation** from

	U.N. Security Council Resolution Requirements	U.S. Law	Executive Order
		does not require) the President to designate any person who trades in **coal, iron, or iron ore in excess of UNSC limits**.	or **exportation** to North Korea...."
	UNSCR 2270 (2016) prohibits trade in DPRK **gold, titanium ore, vanadium ore, and rare earth elements**. UNSCR 2321 (2016) prohibits trade in DPRK **copper, nickel, silver, and zinc.** UNSCR 2371 (2017) prohibits trade in DPRK **lead and lead ore.** UNSCR 2397 (2017) prohibits the purchase of **food, agricultural products, machinery, electrical equipment, earth and stone, magnesite and magnesia**, **wood, and vessels** from DPRK. UNSCR 2397 (2017) prohibits the providing to DPRK of **industrial machinery, transportation vehicles, iron, steel, other metals** (not including spare parts of civil aircraft safety).	Sec. 104(a)(10), NKSPEA, as amended, requires President to designate any person who trades in **copper, vanadium, gold, titanium, silver, nickel, zinc, or rare earth elements** with DPRK. Sec. 104(b)(1)(H), NKSPEA, as amended, authorizes (but does not require) the President to designate any person who facilitates transfers of **crude oil, petroleum, liquefied natural gas, other natural gas to the DPRK** government.	See EO 13722 (2016), above.
TRADE BAN ON FOOD PRODUCTS	UNSCR 2371 (2017) prohibits trade in DPRK **seafood**.	Sec. 104(b)(1)(K), NKSPEA, as amended, authorizes (but does not require) the President to designate any person who purchases **food or agricultural products from the DPRK** government.	See EO 13570 (2011), above. See EO 13722 (2016), above. EO 13810 of September 20, 2017, authorizes sanctions on anyone who engages in "at least one significant **importation** from or **exportation** to North Korea...."
TRADE BAN ON STATUES	UNSCR 2321 (2016) prohibits trade in **DPRK-origin statuary**.		See EO 13570 (2011), above.

	U.N. Security Council Resolution Requirements	U.S. Law	Executive Order
			See EO 13722 (2016), above. EO 13810 of September 20, 2017, authorizes sanctions on anyone who engages in "at least one significant **importation** from or **exportation** to North Korea...."
BAN ON TRADE AND USE OF HELICOPTERS AND VESSELS (INCLUDING AIRCRAFT, LANDING AND FLYOVER RIGHTS, PORT USE)	UNSCR 2094 (2013) "calls on" member states to **deny permission to aircraft to take off, land, or fly over** if the aircraft is suspected of carrying prohibited cargo.	Sec. 104(a)(13), NKSPEA, as amended, requires President to designate **any person who registers a vessel owned by the government of DPRK**.	See EO 13570 (2011), above. See EO 13722 (2016), above. EO 13810 of September 20, 2017, authorizes sanctions on anyone who engages in "at least one significant **importation** from or **exportation** to North Korea...."
	UNSCR 2270 (2016) prohibits the **leasing or chartering of vessels or aircraft, or providing crew services**, to DPRK, designated entities and individuals, and anyone found to be engaged in **sanctions evasion**.		
	UNSCR 2270 (2016) "calls on" member states to **revoke vessel registrations** of those granted designated entities and individuals or those engaged in **sanctions evasion**; and "calls on" member states not to register a vessel that has been deregistered by another state.		
	UNSCR 2270 (2016) prohibits **registering a vessel in DPRK or using a DPRK flag for a foreign vessel.**		EO 13466 (2008) prohibits U.S. persons from **registering a vessel in DPRK, using the DPRK flag for a vessel, or owning, leasing, operating, or insuring a DPRK-flagged vessel**.

	U.N. Security Council Resolution Requirements	U.S. Law	Executive Order
	UNSCR 2270 (2016) prohibits **aircraft landing and flyover rights** to DPRK aircraft.		EO 13810 of September 20, 2017, prohibits any aircraft or vessel that is foreign-owned to enter the United States if it has landed or entered a port of North Korea within the last 180 days.
	UNSCR 2270 (2016) prohibits **entry into port of DPRK vessels** owned or controlled by a designated entity or individual, or contains prohibited cargo. UNSCR 2321 (2016) expands the ban on providing **crew services** to DPRK to be prohibited without exception. UNSCR 2321 (2016) expands the ban on **registering vessels in DPRK** to be prohibited without exception. UNSCR 2321 (2016) requires member states to **deflag, and deny entry to port, vessels** found by the Sanctions Committee to be engaged in DPRK's weapons programs. UNSCR 2321 (2016) requires member states to **deregister vessels owned by DPRK**, and prohibits the registration of vessels deregistered by a third state. UNSCR 2321 (2016) prohibits trade in DPRK **new helicopters and vessels.** UNSCR 2375 (2017) authorizes the Sanctions Committee to designate for sanctions **vessels transporting prohibited items** from DPRK. UNSCR 2397 (2017) prohibits providing **new or used vessels** to DPRK.		
BAN ON EXPORTED LABOR	UNSCR 2321 (2016) prohibits the procuring of **crew services** from DPRK for vessels or aircraft. UNSCR 2321 (2016) "calls on" member states to exercise vigilance over **wages paid to DPRK exported labor** that may finance the weapons programs. UNSCR 2371 (2017) **prohibits member states from increasing their use of DPRK exported labor.**	Sec. 104(b)(1)(L), NKSPEA, as amended, authorizes (but does not require) the President to designate any person who facilitates the **export of DPRK labor.** Sec. 302A, NKSPEA, as amended, **blocks**	See EO 13570 (2011), above. See EO 13722 (2016), above.

	U.N. Security Council Resolution Requirements	U.S. Law	Executive Order
	UNSCR 2375 (2017) prohibits entering into **new contracts** for DPRK exported labor (existing contract completion is allowed). Introduces a ban on Member States from providing work authorizations for DPRK nationals, other than those for which written contracts have been finalized prior to September 11, 2017. UNSCR 2397 (2017) requires member states to **repatriate DPRK exported labor** within 2 years (with exceptions).	**import into the US of any goods made by DPRK labor** (in violation of Sec. 307, Tariff Act of 1930; 19 U.S.C. 1307, relating to use of **prison or coerced labor**). Sec. 302B, NKSPEA, as amended, requires the President to impose sanctions on any **foreign person who employs DPRK labor**.	
TRADE BAN ON LUXURY GOODS	UNSCR 1718 (2006) prohibits the sale, supply, or transfer of "luxury goods" (but does not define the term). UNSCR 2094 (2013) establishes the first luxury good list. UNSCR 2270 (2016) expands the definition of "luxury goods". UNSCR 2321 (2016) expands the above list of prohibited goods.	Sec. 104(a)(3), NKSPEA, requires President to designate any person who trades in **luxury goods to/from DPRK**.	On January 26, 2007, the Department of Commerce issued **foreign policy controls for DPRK that included luxury goods.** See 72 FR 3722-3730. EO 13551 (2010) blocks the assets of specific DPRK individuals and entities, pursuant to emergency authorities and requirements of UNSCRs 1718 (2006) and 1874 (2009). Also blocks assets of anyone found to: --engage in arms trade with DPRK; --provide training, advice, or other services related to arms manufacture, maintenance, or use; **--trade in luxury goods**; --engage in money laundering, counterfeiting of goods or currency, trafficked in bulk

	U.N. Security Council Resolution Requirements	U.S. Law	Executive Order
			cash, narcotics or other illicit economic activity; or --engage in sanctions evasion. EO 13570 (2011) prohibits importation into the United States from DPRK of any goods, services, or technology. EO 13810 of September 20, 2017, authorizes sanctions on anyone who engages in "at least one significant **importation** from or **exportation** to North Korea...."
OTHER TRADE AND INVESTMENT	UNSCR 2270 (2016) expands the list of prohibited goods—initially identifying arms, dual-use goods, and luxury goods (2006)—to now include "**any item, except food or medicine, if the State determines that such item could directly or indirectly contribute to the development of the DPRK's operational capabilities of its armed forces**...." UNSCR 2270 (2016) prohibits participating in **joint ventures** with designated entities or individuals. UNSCR 2375 (2017) expands the prohibition on **joint ventures and cooperative entities** to apply to all DPRK entities or individuals, except China-DPRK hydroelectric power infrastructure projects and the Russia-DPRK Rajin-Khasan port and rail project, used for transshipment of Russia-origin coal.		See EO 13570 (2011), above. See EO 13722 (2016), above. EO 13810 of September 20, 2017, authorizes sanctions on anyone who engages in "at least one significant **importation** from or **exportation** to North Korea...."
OTHER TARGETS		Sec. 104(b)(1), NKSPEA, authorizes (but does not require) the President to designate any person who facilitates **bribery**	

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	or corruption by the DPRK government.	
UNSCR 2375 (2017) prohibits the export by the DPRK of **textiles** (including fabrics and partially or fully completed apparel products).	Sec. 104(b)(1)(E), NKSPEA, as amended, authorizes (but does not require) the President to designate any person who trades in **textiles** with DPRK.	
UNSCR 2375 (2017) requires a full ban on the supply, sale, or transfer of **all condensates and natural gas liquids** to DPRK. UNSCR 2375 (2017) limits all **refined petroleum** products in terms of the amount allowed (for supply, sale, or transfer to DPRK) with very specific preconditions and follow-up action required by Member States, the 1718 Committee and the Committee Secretary. UNSCR 2375 (2017) imposes 12-month caps, based on the previous year's transactions to form a baseline, on the supply, sale, or transfer of **crude oil** to DPRK. UNSCR 2397 (2017) prohibits providing **crude oil** above livelihood limits. UNSCR 2397 (2017) prohibits providing **refined petroleum products, including diesel and kerosene**, above livelihood limits determined by previous trade.	Sec. 104(b)(1)(H), NKSPEA, as amended, authorizes (but does not require) the President to designate any person who facilitates transfers of **crude oil, petroleum, liquefied natural gas, other natural gas** to the DPRK government.	
	Sec. 104(b)(1)(I), NKSPEA, as amended, authorizes (but does not require) the President to designate any person who engages in DPRK government-sponsored **online commerce, including online gambling**.	

U.N. Security Council Resolution Requirements	U.S. Law	Executive Order
	Sec. 104(b)(1)(J), NKSPEA, as amended, authorizes (but does not require) the President to designate any person who purchases **fishing rights** from the DPRK government.	EO 13810 of September 20, 2017, authorizes sanctions on anyone who operates in construction, energy, financial services, **fishing**, information technology, manufacturing, medical, mining, textiles, or transportation industries in the DPRK.

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