

**Security Council**Distr.: General  
16 June 2016

Original: English

---

**Security Council Committee established pursuant to  
resolution 1718 (2006)****Letter dated 1 June 2016 from the Permanent Mission of the  
Republic of Korea to the United Nations addressed to the Chair of  
the Committee**

I have the honour to refer to Security Council resolution 2270 (2016) and, in particular, its operative paragraph 40, which calls upon Member States to report to the Security Council on concrete measures that they have taken to implement effectively the provisions of the resolution. In this respect, I have the honour to submit to the Committee established pursuant to resolution 1718 (2006) the report of the Government of the Republic of Korea on the implementation of Security Council resolution 2270 (2016) (see annex).

(Signed) **Oh Joon**  
Permanent Representative



**Annex to the letter dated 1 June 2016 from the Permanent Mission of the Republic of Korea to the United Nations addressed to the Chair of the Committee**

**Report of the Republic of Korea on the implementation of Security Council resolution 2270 (2016)**

**I. Introduction**

The Government of the Republic of Korea (“the Korean Government”) is committed to faithfully implementing Security Council resolution 2270 (2016) and all previous Security Council sanctions resolutions on the Democratic People’s Republic of Korea, namely, resolutions 1718 (2006), 1874 (2009), 2087 (2013) and 2094 (2013), and to rendering full cooperation to the Security Council Committee established pursuant to resolution 1718 (2006).

The Republic of Korea is a party to international treaties concerning the non-proliferation of weapons of mass destruction, including the Treaty on the Non-Proliferation of Nuclear Weapons, the Convention on the Prohibition of the Development, Production and Stockpiling of Bacteriological (Biological) and Toxin Weapons and on Their Destruction and the Convention on the Prohibition of the Development, Production, Stockpiling and Use of Chemical Weapons and on Their Destruction. It is also a member of all export control regimes, namely, the Nuclear Suppliers Group, the Missile Technology Control Regime, the Australia Group, the Zangger Committee and the Wassenaar Arrangement on Export Controls for Conventional Arms and Dual-Use Goods and Technologies. The Korean Government has established a concrete system to fully implement its obligations under the relevant Security Council resolutions, and it will continue to contribute to the international efforts to strengthen the global non-proliferation regime.

Since 2006, the Korean Government has taken the necessary legislative and executive measures to implement the Security Council sanctions resolutions on the Democratic People’s Republic of Korea, and submitted its national implementation reports in 2006, 2009 and 2013. Following the adoption of resolution 2270 (2016), the Government has taken additional measures to implement the resolution effectively.

Under the South-North Exchanges and Cooperation Act, the Korean Government’s authorization is required for the transfer of all items<sup>1</sup> between the Republic of Korea and the Democratic People’s Republic of Korea. In accordance with the Act, the Government bans the transfer to the Democratic People’s Republic of Korea of any item prohibited under the relevant Security Council resolutions.

Under the Foreign Trade Act and other relevant laws<sup>2</sup> and administrative measures, such as the Special Measures for Restrictions on Trade for the Maintenance of International Peace and Security and the Public Notice on the Trade of Strategic Goods, the Korean Government bans the transfer, including through a

---

<sup>1</sup> The term “items” in the present report also includes software and technology.

<sup>2</sup> The Nuclear Safety Act, the Defence Acquisition Programme Act and the Act on the Prohibition of Chemical and Biological Weapons, and the Control of the Production, Export and Import of Specific Chemicals and Biological Agents.

third party, to the Democratic People's Republic of Korea of any item prohibited under the relevant Security Council resolutions.

In addition, the South-North Exchanges and Cooperation Act requires nationals of the Republic of Korea to obtain authorization from the Minister of Unification prior to visiting the Democratic People's Republic of Korea or contacting or engaging in joint projects with residents of that country. Visiting the Democratic People's Republic of Korea or contacting or engaging in joint projects with its residents will be prohibited if such actions are linked to items or activities prohibited by the relevant Security Council resolutions.

Pursuant to the measures of May 24 2010, all exchanges and cooperation with the Democratic People's Republic of Korea were suspended with the exception of the operation of the Kaesong industrial complex. Following the fourth nuclear test and long-range ballistic missile launch by the Democratic People's Republic of Korea early in 2016, however, the Korean Government took measures to cease operations of the complex on 10 February. Currently, there are no exchanges and cooperation between the Republic of Korea and the Democratic People's Republic of Korea.

Because of the repeated launches of ballistic missiles on 15 and 27 April and the launch of submarine-launched ballistic missiles on 23 April, all in violation of the relevant Security Council resolutions, including resolution 2270 (2016), the Korean Government sent letters to the Chair of the 1718 Committee reporting the violations and expressing its expectation of appropriate action from the Committee.

## **II. Measures taken to implement resolution 2270 (2016)**

### **A. Embargo on weapons of mass destruction and conventional arms and additional items, materials, equipment, goods and technology relating to weapons of mass destruction (paras. 6, 8 and 27)**

#### **1. Embargo on conventional arms and related materiel, including small arms and light weapons and their related materiel (para. 6)**

Under the South-North Exchanges and Cooperation Act, the Foreign Trade Act, the Special Measures for Restrictions on Trade for the Maintenance of International Peace and Security and the Public Notice on the Trade of Strategic Goods, the Korean Government bans the transfer, including through a third party, to the Democratic People's Republic of Korea of all arms, including small arms and light weapons, and their related materiel.

Currently, all trade between the Republic of Korea and the Democratic People's Republic of Korea is suspended and there is no arms trade of any kind between the two countries.

#### **2. Prohibition of the provision of any items that could directly contribute to the development of the operational capabilities of the armed forces of the Democratic People's Republic of Korea (para. 8)**

Under the South-North Exchanges and Cooperation Act, the Foreign Trade Act, the Special Measures for Restrictions on Trade for the Maintenance of International Peace and Security and the Public Notice on the Trade of Strategic

Goods, the Korean Government bans the transfer, including through a third party, to the Democratic People's Republic of Korea of any item prohibited under the relevant Security Council resolutions.

In accordance with the special measures and the public notice, the Korean Government further prohibits the transfer to the Democratic People's Republic of Korea, including through a third party, of those items not on the control lists of the multilateral export control regimes, including the Wassenaar Arrangement, if the item in question is likely to be diverted for use in connection with, including but not limited to, the development, production, operation or storage of conventional arms. Currently, all trade between the Republic of Korea and the Democratic People's Republic of Korea is suspended.

**3. Comprehensive control on weapons of mass destruction (para. 27)**

Under the South-North Exchanges and Cooperation Act, the Foreign Trade Act, the Special Measures for Restrictions on Trade for the Maintenance of International Peace and Security and the Public Notice on the Trade of Strategic Goods, the Korean Government bans the transfer, including through a third party, to the Democratic People's Republic of Korea of any item prohibited under the relevant Security Council resolutions.

In accordance with the special measures and the public notice, the Korean Government further prohibits the transfer to the Democratic People's Republic of Korea of items not on the control lists of all multilateral export control regimes, if the item in question is likely to be diverted for use in connection with, but not limited to, the development, production, operation and storage of weapons of mass destruction and their means of delivery. Currently, all trade between the Republic of Korea and the Democratic People's Republic of Korea is suspended.

**4. Embargo on additional items, materials, equipment, goods and technology relating to weapons of mass destruction (S/2016/308)**

Under the South-North Exchanges and Cooperation Act, the Foreign Trade Act, the Special Measures for Restrictions on Trade for the Maintenance of International Peace and Security and the Public Notice on the Trade of Strategic Goods, the Korean Government bans the transfer, including through a third party, to the Democratic People's Republic of Korea of any item prohibited under the relevant Security Council resolutions.

In April 2016, the Korean Government revised the special measures to reflect the additional items listed in [S/2016/308](#) that are prohibited from being transferred to the Democratic People's Republic of Korea. Currently, all trade between the Republic of Korea and the Democratic People's Republic of Korea is suspended.

**B. Inspection and interdiction (paras. 18-23)**

**1. Inspection of cargo within or transiting through the territory of the Republic of Korea that has originated from the Democratic People's Republic of Korea or is destined for it (para. 18)**

Under the Customs Act, the Korean Government can inspect goods, means of transportation, storage facilities and related documents or take other necessary

measures to prevent violations of the relevant Security Council resolutions, including resolution 2270 (2016).

The Korean Government will inspect the cargo within or transiting through its territory when the cargo originates from the Democratic People's Republic of Korea or is destined for that country. The Government is also taking necessary measures to reinforce the legal basis for seizing prohibited items found during an inspection.

Currently, all trade and transportation between the Republic of Korea and the Democratic People's Republic of Korea are suspended and the Korean Government does not permit the entry into the ports of the Republic of Korea of vessels that have visited a port of the Democratic People's Republic of Korea during the previous 180 days.

**2. Prohibition of leasing or chartering flagged vessels or aircraft or providing crew services to the Democratic People's Republic of Korea (para. 19)**

Under the South-North Exchanges and Cooperation Act, the Korean Government's authorization is required for contacting or engaging in joint projects with residents of the Democratic People's Republic of Korea. In accordance with the Act, the Government prohibits joint projects with the Democratic People's Republic of Korea, such as leasing or chartering flagged vessels or aircraft or providing crew services to that country.

The Ministry of Land, Infrastructure and Transport and the Ministry of Oceans and Fisheries informed national carriers and shipping companies of the obligations under resolution 2270 (2016).

**3. Prohibition of registering vessels in the Democratic People's Republic of Korea, obtaining authorization for a vessel to use its flag, and owning, leasing, operating, providing any vessel classification, certification or associated service, or insuring any vessel flagged by the Democratic People's Republic of Korea (para. 20)**

Under the South-North Exchanges and Cooperation Act, the Korean Government's authorization is required for contacting or engaging in joint projects with residents of the Democratic People's Republic of Korea. In accordance with the Act, the Government prohibits joint projects with the Democratic People's Republic of Korea, such as owning, leasing, operating, providing any vessel classification, certification or associated service, or insuring any flagged vessel of that country. Furthermore, the Government will not allow such vessels to be registered as overseas cargo transportation service providers under the Marine Transportation Act.

The Ministry of Oceans and Fisheries informed Korean shipping companies of the obligations under resolution 2270 (2016).

**4. Denial of permission to any aircraft to take off from, land in or overfly the territory of the Republic of Korea if there is information that provides reasonable grounds to believe that the aircraft contains items prohibited by the relevant Security Council resolutions (para. 21)**

Under the South-North Exchanges and Cooperation Act, the Korean Government requires the authorization of the Minister of Unification for the operation of aircraft between the Republic of Korea and the Democratic People's

Republic of Korea. When the Government determines that there exist reasonable grounds to believe that any aircraft is involved in activities prohibited under the relevant Security Council resolutions, that aircraft is prohibited from being operated in the Republic of Korea.

Under the Aviation Act, government authorization is required for a foreign aircraft to enter, overfly or leave the territorial airspace of the Republic of Korea. A foreign aircraft is obliged to land in a designated airfield when demanded by the Korean Government. The Act also prohibits a foreign aircraft from carrying weapons and ammunitions when entering or leaving the airspace of the Republic of Korea, unless granted permission by the relevant authorities. Furthermore, under the directive on permitting rights of passage through foreign airspace, permission of overflight will not be granted to an aircraft operating in violation of the relevant Security Council resolutions.

The Korean Government has revised the implementation plan to prevent the operation of aircraft in violation of the relevant Security Council resolutions and held training sessions for the relevant officers following the adoption of resolution 2270 (2016).

Currently, there is no operation of aircraft between the Republic of Korea and the Democratic People's Republic of Korea.

**5. Prohibition of the entry into ports of any vessel if there is information that provides reasonable grounds to believe the vessel is owned or controlled by a designated individual or entity, and designation of the Ocean Maritime Management vessels that are subject to the asset freeze (paras. 22 and 23)**

Under the South-North Exchanges and Cooperation Act, the Korean Government's authorization is required for the operation of vessels between the Republic of Korea and the Democratic People's Republic of Korea

The Korean Government has prohibited all Democratic People's Republic of Korea-flagged vessels from entering its ports or passing through the maritime jurisdictional area of the Republic of Korea, in accordance with the South-North Exchanges and Cooperation Act, since the measures of 24 May 2010.

Under the Ship's Arrival and Departure Act and its enforcement decree, the Korean Government may require vessels to obtain permission for entry into ports from the Ministry of Oceans and Fisheries when necessary for national security. In particular, the Government does not permit entry into the ports of the Republic of Korea of vessels that have visited a port of the Democratic People's Republic of Korea during the previous 180 days.

Pursuant to resolution 2270 (2016), the Korean Government prohibits the entry into the ports of the Republic of Korea of the vessels specified in annex III to resolution 2270 (2016), as amended. If the vessels enter the ports of the Republic of Korea, they shall be subject to an asset freeze in accordance with resolutions 1718 (2006) and 2270 (2016).

The Korean Government also prohibits entry into its ports of any vessel if it has information that provides reasonable grounds to believe that the vessel is owned or controlled, directly or indirectly, by a designated individual or entity, or contains

cargo the supply, sale, transfer or export of which is prohibited by the relevant Security Council resolutions.

### **C. Export control (paras. 29, 30 and 31)**

#### **Ban on coal, iron and iron ore relating to programmes of weapons of mass destruction, and on gold, titanium ore, vanadium ore and rare earth minerals and fuel (paras. 29, 30 and 31)**

Under the South-North Exchanges and Cooperation Act, the Korean Government's authorization is required for the transfer of all items between the Republic of Korea and the Democratic People's Republic of Korea. In accordance with the Act, the Government bans the transfer to the Democratic People's Republic of Korea of any item prohibited under the relevant Security Council resolutions.

Under the South-North Exchanges and Cooperation Act, the Foreign Trade Act, the Special Measures for Restrictions on Trade for the Maintenance of International Peace and Security and the Public Notice on the Trade of Strategic Goods, the Korean Government prohibits the transfer from the Democratic People's Republic of Korea, including through a third party, of coal, iron and iron ore, gold, titanium ore, vanadium ore and rare earth minerals. The Korean Government also prohibits the transfer to the Democratic People's Republic of Korea, including through a third party, of aviation fuel, jet fuel and rocket fuel in accordance with resolution 2270 (2016).

Currently, all trade between the Republic of Korea and the Democratic People's Republic of Korea is suspended.

### **D. Financial and economic sanctions (paras. 32, 33, 34, 35, 36 and 38)**

#### **1. Application of an asset freeze to all the funds, other financial assets and economic resources outside the Democratic People's Republic of Korea that are owned or controlled by entities of the Government of the Democratic People's Republic of Korea or the Worker's Party of Korea relating to programmes of weapons of mass destruction and by the persons or entities designated by the relevant Security Council resolutions (para. 32)**

The Korean Government's asset-freezing powers are based on the Prohibition on the Financing of Offences of Public Intimidation and Proliferation of Weapons of Mass Destruction Act.

The Act gives the Financial Services Commission the power to designate persons or entities linked to terrorism or to the proliferation of weapons of mass destruction as "restricted persons or entities". Such persons or entities are subject to an asset freeze and are prohibited from financial transactions. The Act entered into force in December 2008, and the relevant sections were amended in May 2014 to deal with proliferation financing.

Persons or entities listed by the relevant Security Council resolutions or by the 1718 Committee are automatically designated as the "restricted persons or entities" by a Financial Services Commission notice, which is published in the *Official Gazette* and through the website of the Financial Intelligence Unit.

Financial institutions also subscribe to commercial services that monitor new designations and provide updated lists of restricted persons or entities to monitor. Designations take effect immediately. Furthermore, most financial institutions are using compliance software that is automatically updated on a real-time basis.

Foreign exchange transactions with individuals or entities designated as a target by the Korean Government are prohibited unless permission is granted by the Governor of the Bank of Korea.

According to the Foreign Exchange Transactions Act and its Enforcement Decree, when necessary for the maintenance of international peace and security, the Minister of Strategy and Finance may require residents and non-residents who intend to make a payment from the Republic of Korea to a foreign country, or residents who intend to make payments to non-residents or to receive payments from non-residents, to obtain permission when they make or receive such payments.

Furthermore, in accordance with the Guideline for the Allowance of Payment and Receipt to Fulfil the Obligation of Maintaining International Peace and Safety, which complies with the Foreign Exchange Transactions Act and its enforcement decree, an individual or entity designated as a target by the relevant Security Council resolutions or by the 1718 Committee, which are specified in the Guideline, is automatically designated for sanctions listing.

The Korean Government may also designate an individual or entity as a target if it deems such action necessary for national security and for the protection of its nationals.

**2. Prohibition of opening new branches and offices of banks of the Democratic People's Republic of Korea in the Republic of Korea and the closing of the existing representative offices, subsidiaries or banking accounts of the Republic of Korea in the Democratic People's Republic of Korea within 90 days (paras. 33, 34 and 35)**

There are no branches, subsidiaries or representative offices of banks of the Democratic People's Republic of Korea in the territory of the Republic of Korea. Two banks were once authorized by the Korean Government to operate representative offices in the Democratic People's Republic of Korea: one in the Kaesong industrial complex and another in the Mount Geumgang tourism district. The bank in the Mount Geumgang tourism district ceased operations in July 2008 and the bank in the Kaesong industrial complex closed after the complex had ceased operations in February 2016. Currently, there are no financial institutions of the Republic of Korea in the Democratic People's Republic of Korea.

**3. Prohibition of public and private financial support that could contribute to the nuclear or ballistic missile programmes or other activities of the Democratic People's Republic of Korea (para. 36)**

Under the South-North Cooperation Fund Act, the Korean Government makes decisions on whether to provide insurance or loans and on the limits of the amount to be provided if any person in the Republic of Korea who is engaged in trade with the Democratic People's Republic of Korea applies for insurance or loans.

Currently, all trade between the Republic of Korea and the Democratic People's Republic of Korea is suspended, and any provision of public and private financial support to the Democratic People's Republic of Korea from within the

territory of the Republic of Korea or persons or entities subject to the jurisdiction of the Republic of Korea will be prohibited, where such financial support could contribute to any of the activities prohibited under the relevant Security Council resolutions.

**4. Implementation of recommendation 7 of the Financial Action Task Force (para. 38)**

In order to implement recommendation 7 on targeted financial sanctions relating to proliferation, the Korean Government designated restricted persons and entities involved in financing connected to the proliferation of weapons of mass destruction. In accordance with the Prohibition on the Financing of Offences of Public Intimidation and Proliferation of Weapons of Mass Destruction Act and the relevant public notice issued by the Financial Services Commission, the Government imposes restrictions on financial transactions and asset transactions and on the disposition, such as transfer, gift, movement of possession or conversion of their original state, of movables, immovables, obligatory rights, other property or property rights.

**E. Designation of additional individuals and entities for asset freeze (paras. 10, 11 and annexes I and II)**

A total of 16 individuals and 12 entities listed in annexes I and II to resolution 2270 (2016) have been added to the list of individuals and entities subject to an asset freeze under the Prohibition on the Financing of Offences of Public Intimidation and Proliferation of Weapons of Mass Destruction Act and other national laws and regulations.

With regard to individuals working on behalf of or at the direction of a designated individual or entity, or of those assisting in the evasion of sanctions or violating the provisions of the relevant Security Council resolutions, the Korean Government prevents their entry into or transit through its territory by including them in the entry denial list based on the Immigration Control Act.

The Korean Government added the individuals listed in annex I to resolution 2270 (2016) as “priority control targets” on 3 March 2016, who will receive the same treatment as the persons included in the entry denial list.

**F. Embargo on luxury goods (annex IV)**

Under the South-North Exchanges and Cooperation Act, the Korean Government’s authorization is required for the transfer of all items between the Republic of Korea and the Democratic People’s Republic of Korea. In accordance with the Act, the Government bans the transfer to the Democratic People’s Republic of Korea of any item prohibited under the relevant Security Council resolutions.

Under the South-North Exchanges and Cooperation Act, the Foreign Trade Act, the Special Measures for Restrictions on Trade for the Maintenance of International Peace and Security and the Public Notice on the Trade of Strategic Goods, the Korean Government prevents the transfer of luxury goods to the Democratic People’s Republic of Korea.

In April 2016, the Korean Government revised the special measures to include the list of luxury goods additionally specified in annex IV (luxury watches, aquatic recreational vehicles, snowmobiles, items of lead crystal and recreational sports equipment) to resolution 2270 (2016). The special measures also include the categories of luxury goods that the Government designated in 2009 and 2013 following the adoption of Security Council resolutions 1874 (2009) and 2094 (2013), respectively.

Currently, all trade between the Republic of Korea and the Democratic People's Republic of Korea is suspended and there is no transfer of any luxury goods between the two countries.

---